



Daily Bullion Physical Market Report

Report as on Friday, October 18, 2019

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	38356	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	38036
		38417		37975
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	71.40	Important Support for Rupee Where Importer can look to book his today's payment	71.00
		71.59		70.81

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	39430.00	CMDTY	Gold 999 - Ahmedabad	39560
CMDTY	Gold 995 - Bangalore	39380.00	CMDTY	Gold 999 - Bangalore	39530
CMDTY	Gold 995 - Chennai	39420.00	CMDTY	Gold 999 - Chennai	39570
CMDTY	Gold 995 - Cochin	39425.00	CMDTY	Gold 999 - Cochin	39575
CMDTY	Gold 995 - Delhi	39185.00	CMDTY	Gold 999 - Delhi	39335
CMDTY	Gold 995 - Hyderabad	39400.00	CMDTY	Gold 999 - Hyderabad	39550
CMDTY	Gold 995 - Jaipur	39340.00	CMDTY	Gold 999 - Jaipur	39460
CMDTY	Gold 995 - Mumbai	39320.00	CMDTY	Gold 999 - Mumbai	39470

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	46450.00
Silver 999 - Bangalore	46600.00
Silver 999 - Chennai	46530.00
Silver 999 - Delhi	46350.00
Silver 999 - Hyderabad	46560.00
Silver 999 - Jaipur	46440.00
Silver 999 - Kolkata	46515.00
Silver 999 - Mumbai	46430.00

* Rates including GST

Gold Ratios
Gold Silver Ratio
83.98

Gold Crude Ratio
9.97

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 26NOV2019	1495.50
DGCX	GOLD QUANTO 28NOV2019	38139.00
DGCX	SILVER 26NOV2019	17.54

Gold and Silver Fix	
Descr.	LTP
Gold London AM FIX	1484.45
Gold London PM FIX	1492.65
Silver London FIX	17.3

Date	Gold*	Silver*
16 Oct 2019 (Wednesday)	38334.00	44840.00
14 Oct 2019 (Monday)	38487.00	45375.00
11 Oct 2019 (Friday)	38293.00	45270.00

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

16 Oct 2019 (Wednesday)

Gold Market Update



Market View	
Open	38181.00
High	38233.00
Low	37972.00
Close	38196.00
Value Change	-23.00
% Change	-0.06
Feb-Dec	290.00
Apr-Feb	271.00
Volume	14507
Open Interest	19283
Cng in OI (%)	-0.98

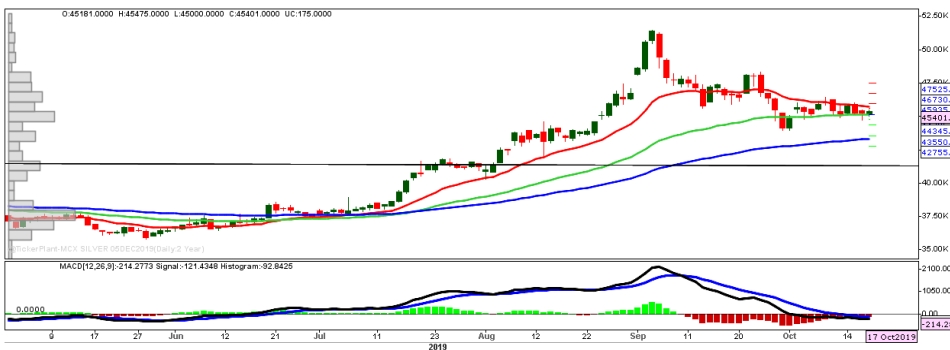
BUY GOLD DEC 2019 @ 38100 SL 37950 TGT 38250-38380.MCX

Today's View & Outlook

Gold price shows more bullish bias to move above 1492.00, which urges caution from the upcoming trading, as the price stability above this level will push the price to visit 1510.00 before any new negative attempt, while the price needs to trade below 1485.00 again to confirm resuming the decline towards 1447.00.

Gold on MCX settled down -0.06% at 38196 as investors digested a Brexit deal but lingering uncertainty on U.S.-China trade talks limited losses. European Commission President Jean-Claude Juncker said Britain and the European Union agreed on a new Brexit deal. However, there is mixed information going around and more clarity is awaited with the Democratic Unionist Party sticking to their stance. Northern Ireland's Democratic Unionist Party said on its position on Brexit had not changed and it could not support the deal. On the U.S.-China trade talk front, negotiators from both sides were working on nailing down a phase 1 trade deal text for their presidents to sign next month, U.S. Treasury Secretary Steven Mnuchin said, but offered little details. China's commerce ministry said that Beijing hoped to reach a phased agreement as early as possible. U.S. business inventories were unexpectedly flat in August as stocks at retailers were weaker than initially thought, suggesting inventory investment could remain a drag on economic growth in the third quarter. The Commerce Department said on Wednesday the unchanged reading in business inventories followed a 0.3% gain in July. Inventories are a key component of gross domestic product. The economy grew at a 3.1% pace in the first quarter. Growth estimates for the third quarter range from as low as a 1.3% annualized rate to as high as a 2.0% pace. Technically market is under long liquidation as market has witnessed drop in open interest by -0.98% to settled at 19283 while prices down -23 rupees, now Gold is getting support at 38035 and below same could see a test of 37873 levels, and resistance is now likely to be seen at 38296, a move above could see prices testing 38395.

Silver Market Update



Market View	
Open	45181.00
High	45653.00
Low	45000.00
Close	45545.00
Value Change	319.00
% Change	0.71
Mar-Dec	944.00
May-Mar	632.00
Volume	28214
Open Interest	9057
Cng in OI (%)	-7.17

BUY SILVER DEC 2019 @ 45200 SL 44900 TGT 45600-45850.MCX

Today's View & Outlook

Silver price provides positive trading now in its way for a potential test to 17.60 level, and as we mentioned this morning, the price needs to settle below this level, to keep the bearish trend scenario active for today, supported by stochastic reach to the overbought levels, waiting for bouncing lower to visit 16.96 level that represents our next main target. The expected trading range for today is between 17.00 support and 17.55 resistance.

Silver on MCX settled up 0.71% at 45545 amid some uncertainty about the latest Brexit deal getting the approval of the policymakers and on rising concerns about global economic slowdown. EU Commission President Jean-Claude Juncker said in a letter that member nations should back the Brexit deal and that the 27 member states are "best served by an orderly and amicable withdrawal of the United Kingdom from our Union." Prime Minister Boris Johnson secured a Brexit deal with the EU following days of intense see-saw negotiations. The new deal sees Northern Ireland remain in the customs union with the EU, while the rest of the U.K. would leave. U.S.-China trade worries also eased after China said it hoped to reach a phased trade agreement in a protracted dispute with the United States. China's Commerce Ministry said today it is hoping to reach a phased agreement with the United States over trade as early as possible, and make progress on cancelling tariffs on each other's goods. The International Monetary Fund cut its forecast for growth in both 2019 and 2020, reflecting increased pessimism about the global economy. US retail sales fell for the first time in seven months in September, suggesting that manufacturing-led weakness could be spreading to the broader economy. The Commerce Department said that US retail sales dropped 0.3% last month as households slashed spending on building materials, online purchases and especially automobiles. Eurozone inflation slowed in September by more than previously estimated to its lowest pace in nearly three years, the European Union statistics agency said. Technically now Silver is getting support at 45145 and below same could see a test of 44746 levels, and resistance is now likely to be seen at 45798, a move above could see prices testing 46052.

USDINR Update



Market View	
Open	71.4800
High	71.5325
Low	71.1875
Close	71.2475
Value Change	-0.2825
% Change	-0.39
Nov-Oct	0.22
Dec-Nov	0.20
Volume	1967292
Open Interest	1446544
Cng in OI (%)	-12.76

SELL USDINR OCT 2019 @ 71.30 SL 71.45 TGT 71.12-70.96. NSE

Today's View & Outlook

Rupee ended with gains the announcement of "Brexit deal done" helped improve risk sentiments amid extended losses in greenback. The dollar held near a one-month low as weak data cast a shadow on the outlook for the U.S. economy in the short term. EU commission President Jean Claude Juncker said UK Prime Minister Boris Johnson signalled approval of Brexit deal. India's core consumer inflation was seen between 4% and 4.02% in September, compared with a range of 4.20%-4.25% in August. Technically market is under long liquidation as market has witnessed drop in open interest by -6.9% to settled at 1543710 while prices down -0.2975 rupees, now USDINR is getting support at 71.0675 and below same could see a test of 70.955 level, and resistance is now likely to be seen at 71.4125, a move above could see prices testing 71.645.

Rupee ended with gains the announcement of "Brexit deal done" helped improve risk sentiments amid extended losses in greenback. The dollar held near a one-month low as weak data cast a shadow on the outlook for the U.S. economy in the short term. EU commission President Jean Claude Juncker said UK Prime Minister Boris Johnson signalled approval of Brexit deal. British Prime Minister Boris Johnson said, "We've got a great new deal that takes back control. Now Parliament should get Brexit done on Saturday so we can move on to other priorities like the cost of living, the NHS, violent crime and our environment." U.S. retail sales fell for the first time in seven months in September while a report from the U.S. Federal Reserve described the economy's progress in cautious terms. India's core consumer inflation was seen between 4% and 4.02% in September, compared with a range of 4.20%-4.25% in August. India's retail inflation rate rose to 3.99% in September, driven by higher food prices, the government said, close to the central bank's 4% medium-term inflation target. Annual retail inflation in September was much-higher compared with 3.21% in the previous month. Technically market is under long liquidation as market has witnessed drop in open interest by -6.9% to settled at 1543710 while prices down -0.2975 rupees, now USDINR is getting support at 71.0675 and below same could see a test of 70.955 level, and resistance is now likely to be seen at 71.4125, a move above could see prices testing 71.645.

Bullion News

Gold eased as investors digested a Brexit deal but lingering uncertainty on U.S.-China trade talks limited losses. European Commission President Jean-Claude Juncker said Britain and the European Union agreed on a new Brexit deal. However, there is mixed information going around and more clarity is awaited with the Democratic Unionist Party sticking to their stance. In economic news, a report from the Federal Reserve showed a bigger than expected decrease in industrial production, with the strike at General Motors (GM) contributing to a drop in manufacturing output. The Fed said industrial production fell by 0.4% in September after climbing by an upwardly revised 0.8% in August. First-time claims for U.S. unemployment benefits edged up to 214,000, an increase of 4,000 from the previous week's unrevised level of 210,000, data from Labor Department showed. Economists had expected jobless claims to inch up to 215,000.

LBMA delegates see gold prices pushing past \$1,650 an ounce next year - Optimism within the precious metals industry remains strong as delegates at this year's London Bullion Market Association Precious Metals Conference see even higher prices by this time next year. As this year conference in Shenzhen, China wrapped up, attendees were asked where they see prices by this time next year. According to the unofficial poll, the delegates see gold prices rising to \$1,658 an ounce, up nearly 11% from current prices. December gold futures last traded at \$1,493 an ounce, up 0.64% on the day. As bullish as the participants were on the yellow metal, they are even more optimistic on silver. The attendees see nearly a three-fold rally in silver compared to gold. Although delegates are bullish on precious metals across the board, the analysts during a panel discussion said that prices might need a pause after the summer's rally. The LBMA forecast has gained a bit more attention lately as last year's forecast has proven to be fairly accurate. Last year the conference poll said that attendees saw gold prices rising to \$1,532 an ounce. The bullish outlook came at a time when gold prices were struggling to hold support above \$1,200 an ounce. Earlier this summer, expectations of looser monetary policy and rising recession fears helped to gold prices rally more than 20% for the year, which prices hitting a six-year high above \$1,560 an ounce. Accordia reports this is only the second time in

Jewellers in a knot as importers cancel 30% order due to volatile gold prices - Back-breaking import duty and high gold prices have already put the industry into the doldrums. Notwithstanding the punitive government policies and lack of adequate bank credit, the gem and jewellery industry seems to be facing the heat with overseas buyers cancelling about 30 per cent of the orders placed at the India International Jewellery Show held in August. The gem and jewellery industry is already in doldrums as the domestic demand is almost wiped out due to high gold prices and back-breaking import duty of 12.50 per cent on gold, said a leading jeweller. On top of it, he said many overseas buyers have either cancelled 20-30 per cent of their orders or postponed taking delivery after Diwali due to weak demand in their own markets. The demand for gold jewellery in the overseas market, he added is dampened by weak sentiment on the back of slowing US economy and the prolonged trade war between the US and China. Reacting to the concern raised by some of the leading bankers over the increase in gold imports, he said in reality it has more than halved to 28 tonnes in August against 94

Gem and jewellery export down 7.6% to Rs 1.3 trillion in first half - Gloomy news continues at the gem and jewellery sector, with the industry not having gained from the US-China trade war. In the first half (April-September) of this financial year, gross export in the segment fell by 7.6 per cent to \$18.9 billion (Rs 1.3 trillion). The scene is looking good for Christmas demand from the important US market, which is still better than other markets. However, the industry is not able to reap the benefit due to several issues, including the marked reluctance of banks to lend to it since the Nirav Modi scandal. The result is blockage of working capital and raising of overall cost, which has hit export. "In spite of several representations from us on industry-specific challenges, specially on (operations and export from) Special Economic Zones (SEZs), Customs issues on diamonds and the GST (goods and services tax) rate on certification, we are unable to take advantage of the US-China trade war," said Colin Shah, vice-chairman of the Gem and Jewellery Export Promotion Council. The industry alleges the government has been apathetic, despite their pleas for quick action. The US-China trade war had opened a

Festive cheer fails to push gold sales in India, demand remains weak- Gold demand in top-consumer China was subdued this week as investors awaited outcome of crucial trade negotiations with the United States, while purchases in India during a key festival were lower-than-usual because of higher prices. India celebrated Dussehra festival on Tuesday, when buying gold is considered auspicious. "Consumers were struggling to adjust (to) the higher prices. Jewellers across the country have reported nearly 50% drop in Dussehra sales from a year ago," Anantha Padmanabhan, chairman of the All India Gem and Jewellery Domestic Council. Gold futures were trading around Rs 38,100 per 10 grams on Friday after hitting a record high of Rs 39,885 last month. Gold prices have risen more than 21% so far in 2019. Dealers offered discounts of up to \$20 an ounce on official domestic prices this week, slightly down from a discount of \$21 last week. The domestic price includes a 12.5% import tax and 3% sales tax. Demand could improve in the second half of October due to Diwali festival and discounts could narrow

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