



Daily Bullion Physical Market Report

Report as on Thursday, February 20, 2020

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	41751 41814	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	41421 41358
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	71.63 71.82	Important Support for Rupee Where Importer can look to book his today's payment	71.44 71.25

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	42750.00	CMDTY	Gold 999 - Ahmedabad	42880
CMDTY	Gold 995 - Bangalore	42700.00	CMDTY	Gold 999 - Bangalore	42850
CMDTY	Gold 995 - Chennai	42770.00	CMDTY	Gold 999 - Chennai	42920
CMDTY	Gold 995 - Cochin	42775.00	CMDTY	Gold 999 - Cochin	42925
CMDTY	Gold 995 - Delhi	42640.00	CMDTY	Gold 999 - Delhi	42790
CMDTY	Gold 995 - Hyderabad	42775.00	CMDTY	Gold 999 - Hyderabad	42925
CMDTY	Gold 995 - Jaipur	42670.00	CMDTY	Gold 999 - Jaipur	42790
CMDTY	Gold 995 - Mumbai	42650.00	CMDTY	Gold 999 - Mumbai	42800

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	49045.00
Silver 999 - Bangalore	49030.00
Silver 999 - Chennai	49045.00
Silver 999 - Delhi	49040.00
Silver 999 - Hyderabad	49085.00
Silver 999 - Jaipur	49030.00
Silver 999 - Kolkata	49080.00
Silver 999 - Mumbai	49050.00

* Rates including GST

Gold Ratios
Gold Silver Ratio
87.42

Gold Crude Ratio
10.80

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 27MAR2020	1609.60
DGCX	GOLD QUANTO 30MAR2020	40331.00
DGCX	SILVER 26FEB2020	18.39

Gold and Silver Fix		
Descr.	LTP	
Gold London AM FIX	1609.5	
Gold London PM FIX	1604.2	
Silver London FIX	18.06	

Date	Gold*	Silver*
18 Feb 2020 (Tuesday)	41135.00	46545.00
14 Feb 2020 (Friday)	40780.00	46000.00
13 Feb 2020 (Thursday)	40766.00	45890.00

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

18 Feb 2020 (Tuesday)

Gold Market Update



Market View		
Open		41408.00
High		41619.00
Low		41350.00
Close		41586.00
Value Change		166.00
% Change		0.40
Jun-Apr		192.00
Aug-Jun		185.00
Volume		13647
Open Interest		16883
Cng in OI (%)		0.70

SELL GOLD APR 2020 @ 41650 SL 41850 TGT 41380-41100.MCX

Today's View & Outlook

The gold price jumped to a fresh near 7-year high as worries about the global economic impact of the coronavirus mutated into expectations of massive monetary stimulus. Gold price touched 1611.20 level and faces solid resistance there, waiting to get positive motive to assist to breach this level and open the way to achieve more rise on the intraday and short term basis, reminding you that our next target is located at 1625.00 while holding above 1575.90 represents key condition to continue the expected rise.

Gold on MCX settled up 0.4% at 41586 gained on fresh buying tracking gains from International Gold price which jumped to a fresh near 7-year high Gold futures for April ended up \$8.20 at \$1,611.80 an ounce, a fresh high since end March 2013 as worries about the global economic impact of the coronavirus mutated into expectations of massive monetary stimulus to counteract the damage done in China and elsewhere. Support also seen as downward revisions to global GDP growth and earnings loom over stocks/equity market, Apple Inc on Monday warned that its sales might fall because of slow ramp-ups in manufacturing facilities in China. A report from the IMF said the global economy is set for a fragile and shallow recovery and the coronavirus outbreak in China is posing a new threat to the outlook. "Global growth appears to be bottoming out, but the projected recovery is fragile," the lender said in a surveillance note for the G20 finance ministers and central bank governors meeting to be held in the Saudi Arabian capital of Riyadh on February 22-23. Meanwhile, Federal Reserve meeting minutes showed that officials expressed confidence at their most recent meeting about the state of the U.S. economy. They believe that interest rates likely would remain unchanged for a while. The central bank's policymaking group voted to leave its benchmark overnight funds rate in a range between 1.5% and 1.75%. In coming to that decision, FOMC members noted that the outlook for the economy had gotten stronger just since the previous forecast in December. Technically market is getting support at 41417 and below same could see a test of 41249 levels, and resistance is now likely to be seen at 41686, a move above could see prices testing 41787

Silver Market Update



Market View		
Open		47381.00
High		47710.00
Low		47244.00
Close		47570.00
Value Change		307.00
% Change		0.65
May-Mar		528.00
Jul-May		510.00
Volume		26828
Open Interest		7581
Cng in OI (%)		-0.82

SELL SILVER MAR 2020 @ 47600 SL 47900 TGT 47250-46900.MCX

Today's View & Outlook

Silver rose to close at the highest level since the beginning of this year, on strong safe-haven demand amid anticipation for developments in the coronavirus health crisis. Silver price succeeded to touch our waited target at 18.38 and attempts to breach it, to support the expectations of continuing the bullish trend on the intraday and short term basis, which targets 18.38 level as a next main station, reminding you that the continuation of the expected rise conditions holding above 17.60.

Silver on MCX settled up 0.65% at 47570 supported by a fall in coronavirus cases and expectations of more Chinese stimulus to offset the economic impact of the epidemic. The epicentre of the outbreak in China's Hubei reported just 349 new cases on Thursday, the lowest since Jan. 25, although it was accompanied by a change in diagnosis rules. China is widely expected to cut its benchmark lending rate on Thursday, adding to a slew of fiscal and monetary measures in recent weeks aimed at cushioning the virus' impact on the economy. China also plans to take over HNA Group and sell off its airline assets, Bloomberg reported on Wednesday, citing people familiar with the matter. The minutes of the latest Federal Reserve's meeting in January showed the FOMC members were confident in the US economic growth rate. The majority of members voted decision to keep interest rates unchanged at between 1.75% and 1.50%. The minutes also showed cues that the Fed will likely stand pat on rates for a prolonged period of time after three cuts during last year. However, some FOMC members stressed their concern about the coronavirus outbreak impact on economic growth. Meanwhile, Federal Reserve meeting minutes showed that officials expressed confidence at their most recent meeting about the state of the U.S. economy. They believe that interest rates likely would remain unchanged for a while. The central bank's policymaking group voted to leave its benchmark overnight funds rate in a range between 1.5% and 1.75%. In coming to that decision, FOMC members noted that the outlook for the economy had gotten stronger just since the previous forecast in December. Technically market is under short covering as market has witnessed drop in open interest by -0.82% to settled at 7581 while prices up 307 rupees, now Silver is getting support at 47306 and below same could see a test of 47042 levels, and resistance is now likely to be seen at 47772, a move above could see prices testing 47974.

USDINR Update



Market View		
Open		71.4525
High		71.5900
Low		71.4025
Close		71.5550
Value Change		0.2100
% Change		0.29
Mar-Feb		0.20
Apr-Mar		0.23
Volume		1631175
Open Interest		1153959
Cng in OI (%)		-4.72

Today's View & Outlook

BUY USDINR FEB 2020 @ 71.65 SL 71.50 TGT 71.80-71.90. NSE
 USDINR settled up 0.29% at 71.55 gained on fresh buying as fears over the coronavirus still dominated market sentiment. Emerging market currencies are out of favour again with the dollar back on the front foot as an increasing number of agencies and companies warn about the detrimental effect of the outbreak. Indian shares fell for a fourth straight session as investors kept a watch on the latest updates of coronavirus and its impact on the global economy and businesses. Investor sentiment remained fragile after Apple Inc became the latest company to warn of trouble from the coronavirus outbreak, saying it would not meet its guidance for March-quarter revenue because of slower iPhone production. There has been some attention paid to the action of the RBI since its February 7 policy meeting. Yesterday marked the end of the RBI's first round of LTROs. As a reminder, LTROs are when a central bank offers low-interest-rate loans to domestic banks who will use sovereign debt as collateral. The loans must be paid back, typically in 3-

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Bullion News

Gold price jumps to near 7-year high - The gold price jumped to a fresh near 7-year high on Tuesday as worries about the global economic impact of the coronavirus mutated into expectations of massive monetary stimulus to counteract the damage done in China and elsewhere. Gold thrives when policy is loose and money is cheap, and usually moves in the opposite direction of interest rates. China is expected to pump billions into its financial system to revive its economy post-outbreak, and most developed economies never emerged from the ultra-low (or negative rate) environment of the 2008 global financial crisis. On one of the busiest trading days of the year, April gold futures, the most active contract with nearly 40m ounces exchanging hands, gained \$20 — touching a high of \$1,608.20 an ounce before closing at \$1,603.30. The metal closed above \$1,600 on the Comex market in New York for the first time since April 2013 as physically-backed gold ETF investors continue to pile into the market and holdings set fresh record highs.

PM Modi backtracks on free-trade vow with import curbs in India - Indian Prime Minister Narendra Modi has championed free trade in global forums over the years, but his record back home appears to be one of rising protectionism. The Centre has increased import tariffs over the last two years to curb cheap goods from abroad, and support small- and medium-sized local manufacturers. In November, Modi pulled India out of the world's biggest regional trade deal. And earlier this month, Finance Minister Nirmala Sitharaman proposed in her Budget to change rules that will allow the government to ban the import of any goods it deems harmful to domestic industries. Clause (f) of the section 11(2) empowers the Central Government, for prevention of injury to the economy of the country by the uncontrolled import or export of gold or silver, to prohibit their import or export. This clause is being amended to include any other goods (in addition to gold and silver) in its ambit.

Gold ETFs lure inflows even as buyers shun jewellery - Gold exchange-traded funds in India are popular again as risks to the global economy escalate even as jewellery sales languish in the world's second-biggest consumer of the precious metal. Indians invested the most in gold ETFs in more than seven years in January, boosting assets managed by the 11 funds selling the securities to Rs 6,200 crore (\$870 million), according to the Association of Mutual Funds in India. While that's 31% higher than a year earlier, it still about halves the Rs 12,000 crore record touched in January 2013, the industry group's data showed. "These flows will continue for at least the next couple of years and assets will move toward the highs that were seen in 2013, the industry group's data showed. "These flows will continue for at least the next couple of years and assets will move toward the highs that were seen in 2013, if not surpass them," said Chirag Mehta, a senior fund manager at Quantum Mutual Fund. "The volatility in equity markets and better returns from gold over the last year has driven people to gold."

Organised jewellery movers have gained from demonetisation, GST - Organised jewellery logistics traders (movers of gems and jewellery) have struck gold post demonetisation if their recent growth trends are anything to go by. Also, much of the business of jewellery logistics seems to be shifting from informal and unorganised players to the organised sector after demonetisation and implementation of the Goods and Service Tax (GST), say industry players. BVC Group, an organised logistics player, has seen a sudden spurt in growth after demonetisation. It saw its annual growth rate double compared to the years preceding demonetisation. Not only has it maintained the high growth rate, but bucking the slowdown blues, BVC is confident of closing this year with a solid growth rate.

MCX plans to launch futures contracts on recycled gold - MCX plans to launch a gold futures contract based on the Indian gold standard to improve domestic price discovery. PS Reddy, Managing Director, MCX, said the exchange is working with bullion traders and LMBA (the global authority certifying purity of gold) to develop a process to enable recycled gold delivery on the exchange platform. This will not only boost recycling of gold domestically but also help in price discovery in India, he said at the 'Commodity Markets — On the Cusp of Growth' event organised by the CPAI here on Tuesday. There are about 30 gold refineries in India but only one refinery — MMTC-PAMP — is recognised by LBMA and this means that the majority of refineries operate out of the exchange platform. In the next three months, he said the exchange would be announcing the contract specifications and recognise the domestic gold refiners for delivery on the exchange.

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