



Daily Bullion Physical Market Report

Report as on Thursday, January 23, 2020

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	40049 40101	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	39777 39725
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	71.28 71.35	Important Support for Rupee Where Importer can look to book his today's payment	71.14 71.07

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	41095.00	CMDTY	Gold 999 - Ahmedabad	41225
CMDTY	Gold 995 - Bangalore	41080.00	CMDTY	Gold 999 - Bangalore	41230
CMDTY	Gold 995 - Chennai	41120.00	CMDTY	Gold 999 - Chennai	41270
CMDTY	Gold 995 - Cochin	41125.00	CMDTY	Gold 999 - Cochin	41275
CMDTY	Gold 995 - Delhi	41075.00	CMDTY	Gold 999 - Delhi	41225
CMDTY	Gold 995 - Hyderabad	41070.00	CMDTY	Gold 999 - Hyderabad	41220
CMDTY	Gold 995 - Jaipur	41175.00	CMDTY	Gold 999 - Jaipur	41295
CMDTY	Gold 995 - Mumbai	41045.00	CMDTY	Gold 999 - Mumbai	41195

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	47335.00
Silver 999 - Bangalore	47340.00
Silver 999 - Chennai	47310.00
Silver 999 - Delhi	47250.00
Silver 999 - Hyderabad	47380.00
Silver 999 - Jaipur	47280.00
Silver 999 - Kolkata	47320.00
Silver 999 - Mumbai	47300.00

* Rates including GST

Gold Ratios
Gold Silver Ratio
86.57

Gold Crude Ratio
10.02

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 29JAN2020	1557.50
DGCX	GOLD QUANTO 30JAN2020	39863.00
DGCX	SILVER 26FEB2020	17.77

Gold and Silver Fix		
Descr.	LTP	
Gold London AM FIX	1558.1	
Gold London PM FIX	1556.9	
Silver London FIX	17.73	

Date	Gold*	Silver*
20 Jan 2020 (Monday)	40112.00	46640.00
16 Jan 2020 (Thursday)	39900.00	46270.00
15 Jan 2020 (Wednesday)	39813.00	45960.00

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

20 Jan 2020 (Monday)

Gold Market Update



Market View	
Open	39817.00
High	39974.00
Low	39752.00
Close	39913.00
Value Change	2.00
% Change	0.01
Apr-Feb	95.00
Jun-Apr	78.00
Volume	9304
Open Interest	9903
Cng in OI (%)	-2.45

BUY GOLD FEB 2020 @ 39800 SL 39650 TGT 39980-40100.MCX

Today's View & Outlook

Gold price keeps its stability above 1554.10 level, thus, no change to the bullish trend scenario that depends on the price stability above this level, reminding you that we are waiting to visit 1575.90 as a next main target.

Gold on MCX settled at 39913 edged lower as investors looked for riskier assets amid slightly fading concerns about the coronavirus outbreak after the Chinese government said it is stepping up preventive measures. Gold prices traded sideways and continued to hover in a relatively tight range of 40100 - 39700. Gold prices were buoyed by a higher US dollar and lower US yields, while prices are likely to continue to consolidate. Focus so far this week is on the World Economic Forum annual meeting in Davos, Switzerland. President Trump, in an interview with CNBC, said U.S. economic growth has been hamstrung by the Federal Reserve keeping interest rates too high, and by the grounded Boeing jetliner situation. Trump also threatened new trade tariffs on European countries that manufacture automobiles. While from domestic side traders and Jewellers are caution for Gold prices as heavy speculation are prevailing in the market about duty cut, Jewellers are expecting a reduction in import duty of gold and a cut in income tax for the common people in the upcoming Budget to spur demand. At present gold attracts an import duty of 12.5% and a GST of 3%. The government had set up the Domestic Gold Council to upgrade the growth of the sector and boost exports of jewellery which is still awaiting while there are several important issues that need to be addressed. Now technically market is under short covering as market has witnessed drop in open interest by -2.45% to settled at 9903 while prices up 2 rupees, now Gold is getting support at 39786 and below same could see a test of 39658 level, and resistance is now likely to be seen at 40008, a move above could see prices testing 40102.

Silver Market Update



Market View	
Open	46055.00
High	46444.00
Low	45953.00
Close	46233.00
Value Change	90.00
% Change	0.20
May-Mar	437.00
Jul-May	422.00
Volume	22820
Open Interest	9829
Cng in OI (%)	-1.59

BUY SILVER MAR 2020 @ 46000 SL 45700 TGT 46400-46600.MCX

Today's View & Outlook

Silver price shows bullish bias to move away from 17.60 level, which supports the continuation of the expected bullish trend scenario for today, which gets positive support by stochastic, waiting for more rise today to visit 18.38 level, reminding you that it is important to hold above 17.60 to continue the expected rise. The expected trading range for today is between 17.60 support and 18.00 resistance.

Silver on MCX settled up 0.2% at 46233 recovered from the sharp fall seen on Tuesday, the sharpest one-day drop since December 6. With a lack of U.S. fundamental releases until Thursday, any moves on Wednesday will be subject to technical factors, barring any major geopolitical developments. The U.S. economy continues to perform well, with the exception of the manufacturing sector, which has been dampened by the trade war with China as well as a weak global economy. With inflation levels below the Federal Reserve's target of 2.0%, there is little pressure on the Fed to raise interest rates. That could help explain why silver and gold prices remain relatively high, despite a strong economy and a thriving stock market. As long as interest rates are likely to remain steady or even get trimmed, precious metals should remain attractive to investors. Investors looked for riskier assets amid slightly fading concerns about the coronavirus outbreak after the Chinese government said it is stepping up preventive measures. The dollar index rebounded after early weakness, but largely seen struggling to move up any significantly higher. After edging down to 97.44 earlier in the day, the index climbed to 97.69 before paring some gains. It was last seen at 97.58, up marginally from previous close. Technically market is under short covering as market has witnessed drop in open interest by -1.59% to settled at 9829 while prices up 90 rupees, now Silver is getting support at 45976 and below same could see a test of 45719 level, and resistance is now likely to be seen at 46467, a move above could see prices testing 46701.

USDINR Update



Market View	
Open	71.2700
High	71.2825
Low	71.1600
Close	71.2575
Value Change	-0.0100
% Change	-0.01
Feb-Jan	0.20
Mar-Feb	0.23
Volume	1060234
Open Interest	1807788
Cng in OI (%)	1.38

Today's View & Outlook

BUY USDINR JAN 2020 @ 71.20 SL 71.10 TGT 71.32-71.42. NSE
 USDINR settled unchanged at 71.26 remains under pressure due to the outbreak of coronavirus and Chinese efforts to tame the same. The rupee was under pressure after the report from the International Monetary Fund (IMF) which had lowered India's GDP growth to 4.8% for the fiscal year 2019. As a result, the INR weakened every day this week on the back of low-risk appetite. In terms of scheduled risk events, currency traders are left with restraint economic data that can drive risk trends. Technically market is under fresh selling as market has witnessed gain in open interest by 1.38% to settled at 1807788 while prices down -0.01 rupees, now USDINR is getting support at 71.18 and below same could see a test of 71.10 levels, and resistance is now likely to be seen at 71.30, a move above could see prices testing 71.35.

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Bullion News

Gold edged lower as investors looked for riskier assets amid slightly fading concerns about the coronavirus outbreak after the Chinese government said it is stepping up preventive measures. Gold prices traded sideways and continued to hover in a relatively tight range of 40100 - 39700. Gold prices were buoyed by a higher US dollar and lower US yields, while prices are likely to continue to consolidate.

Asia Gold: China sees brisk festive purchases; Indian demand tame - Physical gold purchases gathered steam ahead of the Lunar New Year celebrations in China and Singapore, while demand in India dwindled this week, encouraging retailers to offer more discounts. The Chinese Lunar New Year falls during the last week of January and gold demand is usually boosted during the period. Demand was fragile in India, the world's second largest gold consumer, where dealers were offering a discount of up to \$11 an ounce over official domestic prices, compared with a discount of \$7 last week.

BIS notifies good delivery norms for gold, silver and 31 other items - The Bureau of Indian standard (BIS) on Wednesday notified standards for delivery of 32 items, including gold and silver. This implies that all commodities on the list, including bullion, will be treated on a par for delivery in India. Indian standards for gold and silver have been made applicable from 28 December 2019. The standards for the two precious metals are the most debated, as India depends heavily on imports to meet its gold demand, and to a large extent silver demand, too. Earlier, the Indian stock exchanges where gold and silver derivatives are traded — MCX, for example — accepted gold that met the London Bullion Market Association standards. Only imported gold met that standard. About 280 tonnes of gold processed by over 30 Indian gold refineries annually (refined from imported dore or unrefined gold) was not considered good delivery when sold on stock exchanges. However, with Indian standards for gold and silver defined, these will also become good delivery.

Gold jewellery below 2 gram exempted from mandatory hallmarking - The government on Wednesday exempted gold jewellery, artefacts below 2 gram from mandatory hallmarking. In a gazette notification issued by the Ministry of Consumer Affairs, Food and Public Distribution, mandatory hallmarking has been made applicable from January 15, 2021 across the country. Silver jewellery and articles have been kept out of mandatory hallmarking as of now. All jewellers who want to sale gold jewellery have to take BIS registration. As of now, 28, 849 jewellers have registered with BIS. Of these, nearly 3000 jewellers took registration in last three months on expectation of hallmarking becoming mandatory. However, total number of jewellers are several times higher. Jewellers holding jewellery which is not hallmarked have to clear that stock in a one year time. Only 14, 18 and 22 karat jewellery can be sold. Other pure gold jewellery, even if hallmarked, cannot be sold.

Paswan to release gold jewellery, artefact hallmarking notification - Union Minister of Consumer Affairs Ram Vilas Paswan announced via a tweet that notification to make hallmarking of gold jewellery and artefacts mandatory. The announcement was made a month ago but the industry was waiting for the notification. As per announcement, one year will be given to jewellers to clear jewellery stock which is not hallmarked and from January 2020 any jewellery sold in the country has to be hallmarked and in 14 (585 purity), 18 (750) and 22 (916) carat gold. As on 31 December, 892 hallmarking centres have been approved by the Bureau of Indian Standards (BIS). However, once mandatory hallmarking comes into effect, jewellers have to get license from BIS without which they will not be able to sell gold jewellery.

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