



Daily Bullion Physical Market Report

Report as on Wednesday, September 11, 2019

	Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price	38430	Important Support for MCX Gold Where Physical Player can look to fix his Buying Price	38076
		38499		38007
	Important Resistance for Rupee Where Exporter can look to book his today's receivable	71.98	Important Support for Rupee Where Importer can look to book his today's payment	71.70
		72.11		71.57

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	39535.00	CMDTY	Gold 999 - Ahmedabad	39665
CMDTY	Gold 995 - Bangalore	39550.00	CMDTY	Gold 999 - Bangalore	39700
CMDTY	Gold 995 - Chennai	39600.00	CMDTY	Gold 999 - Chennai	39750
CMDTY	Gold 995 - Cochin	39605.00	CMDTY	Gold 999 - Cochin	39755
CMDTY	Gold 995 - Delhi	39380.00	CMDTY	Gold 999 - Delhi	39530
CMDTY	Gold 995 - Hyderabad	39520.00	CMDTY	Gold 999 - Hyderabad	39670
CMDTY	Gold 995 - Jaipur	39435.00	CMDTY	Gold 999 - Jaipur	39555
CMDTY	Gold 995 - Mumbai	39410.00	CMDTY	Gold 999 - Mumbai	39560

* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	48920.00
Silver 999 - Bangalore	48560.00
Silver 999 - Chennai	48540.00
Silver 999 - Delhi	48700.00
Silver 999 - Hyderabad	48650.00
Silver 999 - Jaipur	48765.00
Silver 999 - Kolkata	49080.00
Silver 999 - Mumbai	48790.00

Gold Ratios
Gold Silver Ratio
80.00

Gold Ratios
Gold Crude Ratio
9.19

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 26SEP2019	1489.50
DGCX	GOLD QUANTO 27SEP2019	38257.00
DGCX	SILVER 26NOV2019	18.11

Gold and Silver Fix		
Descr.	LTP	
Gold London AM FIX	1494.6	
Gold London PM FIX	1498.25	
Silver London FIX	18.09	

* Rates including GST

Date	Gold*	Silver*
09 Sep 2019 (Monday)	38423.00	47005.00
06 Sep 2019 (Friday)	38343.00	46980.00
05 Sep 2019 (Thursday)	39154.00	49675.00

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

09 Sep 2019 (Monday)

Gold Market Update



Market View	
Open	38355.00
High	38495.00
Low	38205.00
Close	38253.00
Value Change	-219.00
% Change	-0.57
Dec-Oct	505.00
Feb-Dec	312.00
Volume	10771
Open Interest	13893
Cng in OI (%)	-1.70

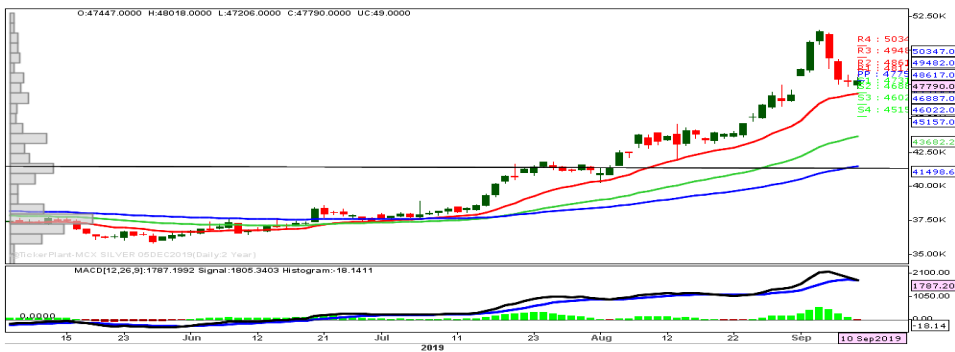
SELL GOLD OCT 2019 @ 38400 SL 38550 TGT 38220-38100.MCX

Today's View & Outlook

Gold price shows positive trading to head towards testing the broken support turns into resistance at 1503.00, as long as the price is below this level, so our bearish trend expectations will remain active for today, supported by the negative pressure that comes from the EMA50, reminding you that our next main target is located at 1477.00. The expected trading range for today is between 1477.00 support and 1506.00 resistance.

Gold on MCX settled down -0.57% at 38253 as the dollar stayed firm and risk appetite remained intact after Germany announced a stimulus plan to support its growth. China's central bank said it was reducing how much cash banks must hold in reserve, releasing liquidity to shore up an economy slowed by the Sino-U.S. trade conflict. Data showed China's exports unexpectedly fell in August as shipments to the United States plummeted, pointing to further weakness in the world's second-biggest economy and underlining the need for more stimulus. Risk sentiment was also supported by comments from Federal Reserve Chair Jerome Powell that the U.S. central bank would continue to act "as appropriate" to sustain the economic expansion. Powell's comments and a mixed U.S. employment report firmed market expectations that the Fed would cut interest rates at its meeting later this month. Data from the Labor Department showed U.S. job growth slowed more than expected in August, but strong wage gains should support consumer spending and keep the economy expanding moderately. U.S. non-farm payrolls numbers underscores the economic fragility in the world's largest economy. Hedge funds and money managers hiked their bullish positions in COMEX gold and silver contracts in the week to Sept. 3, the U.S. Commodity Futures Trading Commission (CFTC) said. Technically market is under long liquidation as market has witnessed drop in open interest by -1.7% to settled at 13893 while prices down -219 rupees, now Gold is getting support at 38141 and below same could see a test of 38028 levels, and resistance is now likely to be seen at 38431, a move above could see prices testing 38608.

Silver Market Update



Market View	
Open	47447.00
High	48018.00
Low	47206.00
Close	47798.00
Value Change	57.00
% Change	0.12
Mar-Dec	1070.00
May-Mar	717.00
Volume	18554
Open Interest	11115
Cng in OI (%)	2.46

SELL SILVER DEC 2019 @ 47900 SL 48200 TGT 47500-47300.MCX

Today's View & Outlook

Silver price found a strong support at the bullish channel's support that appears in the image, affected by stochastic positivity, showing some bullish bias moves now, which requires being aware from the upcoming trading, where the continuation of the bullish bias and breaching 18.00 then 18.30 levels will push the price to resume the main bullish trend, while breaking 17.85 will push the price to hit our main waited target at 17.60. The expected trading range for today is between 17.60 support and 18.20 resistance.

Silver on MCX settled up 0.12% at 47798 as weak economic data from the U.S. and China raised hopes of further stimulus from global central banks. Data showed weaker than expected U.S. jobs growth in the month of August, while data from China showed that the country's exports unexpectedly fell in the month. The European Central Bank meets with markets expecting a rate cut along with some new stimulus package. The U.S. dollar is consolidating after Fed Chair Jerome Powell reiterated his soft-repeated pledge that the Federal Reserve will "act as appropriate" to sustain the U.S. economic expansion. The U.S. economy slowed a bit more than initially thought in the second quarter, as downward revisions to state and local government spending, exports, private inventory investment, and residential investment were partly offset by an upward revision to personal consumption expenditures. German industrial output unexpectedly fell in July, adding to signs that struggling manufacturers could tip Europe's biggest economy into a recession in the third quarter. Industrial output fell by 0.6% on the month, figures released by the Statistics Office showed, missing expectations for a rise of 0.3%. The EU statistics agency Eurostat said the eurozone's gross domestic product expanded by just 0.2% in the second quarter, after a 0.4% expansion in the first three months of the year. China's foreign exchange reserves rose unexpectedly in August, even as the yuan posted its biggest monthly drop in 25 years amid escalating trade tensions with the US. Technically market is under fresh buying as market has witnessed gain in open interest by 2.46% to settled at 11115, now Silver is getting support at 47330 and below same could see a test of 46862 levels, and resistance is now likely to be seen at 48142, a move above could see prices testing 48486.

USDINR Update



Market View		
Open		71.7900
High		71.8775
Low		71.6400
Close		71.8425
Value Change		0.0025
% Change		0.00
Oct-Sep		0.28
Nov-Oct		0.22
Volume		1487880
Open Interest		3111375
Cng in OI (%)		-3.49

BUY USDINR SEP 2019 @ 71.95 SL 71.82 TGT 72.12-72.24. NSE

Today's View & Outlook

Rupee traded in range as market participants speculated the possibility of a US Fed rate cut in the next policy meeting. Meanwhile, weak Chinese and US data improved the prospects for easier policies in building demand for high yielding but riskier assets. Technically now USDINR is getting support at 71.7225 and below same could see a test of 71.5625 level, and resistance is now likely to be seen at 71.96, a move above could see prices testing 72.0375.

Rupee traded in range as market participants speculated the possibility of a US Fed rate cut in the next policy meeting. Meanwhile, weak Chinese and US data improved the prospects for easier policies in building demand for high yielding but riskier assets. According to the US Labour Department, total non-farm payroll addition stood at 130,000 in August, falling from 159,000 in July, while unemployment rate remained unchanged at 3.7%, data showed. Slowing payroll growth for August raised expectations of an interest rate cut by the US Federal Reserve, helping in market gains. India is likely to miss its fiscal deficit target for the current financial year, despite receiving an additional dividend from the Reserve Bank of India (RBI), five government officials and advisers said, as tax collections have sunk amid a sharp slowdown. With economic growth falling to a six-year low of 5% in the April-June quarter, the sources said the government could toward the end of 2019 be forced to raise the fiscal deficit target to 3.5% of GDP from 3.3%, amid pressure for additional stimulus measures. The officials asked not to be identified as they have not been authorized to discuss the matter with media. A Finance Ministry spokesman did not immediately respond to requests for comment. Tax collections could fall by as much as 1 trillion rupees (\$14 billion), or 4% of \$344 billion annual target, two of the officials said, noting that sharp shortfalls are expected both in goods and services tax (GST) and income tax collections. Technically now USDINR is getting support at 71.7225 and below same could see a test of 71.5625 level, and resistance is now likely to be seen at 71.96, a move above could see prices testing 72.0375.

Bullion News

Gold prices drifted lower on Tuesday, extending losses to a fourth successive session, as the dollar stayed firm and risk appetite remained intact after Germany announced a stimulus plan to support its growth. The European Central Bank, which is scheduled to state its monetary policy on Thursday, is widely expected to introduce a stimulus package that may include a rate cut to boost growth amid the ongoing U.S.-Sino trade war. Next week, the Federal Reserve is scheduled to announce its policy. The central bank Chairman Jerome Powell's recent comments that the bank will continue to act "as appropriate" to sustain the U.S. economic expansion, has raised expectations of an interest rate cut. Slightly easing worries about U.S.-China trade dispute on the back of recent reports about resumption of ministerial-level trade talks in early October have also contributed to the increased risk appetite in markets.

LME's gold, silver contracts in doubt as Societe Generale pulls out- The London Metal Exchange's gold and silver futures are being thrown into doubt, with the imminent resignation of Societe Generale as a market maker threatening to deepen a decline in trading activity. Soc Gen, one of five lenders that partnered with the LME to launch the contracts in 2017, is expected to resign shortly as a market maker, taking the number of banks committed to offering tradeable prices to two — Goldman Sachs and Morgan Stanley. "There's still commitment," said one of the sources. But if volumes remain low, they added, "we'll have to sit down and decide what is the next stage — exit, restructuring, or something else." The LME bet that the contracts would benefit from tightening regulation pushing some of London's \$10 trillion-a-year gold market from over-the-counter (OTC) deals between banks and brokers to centrally cleared exchanges. To drive activity, it took the unusual step of cutting a deal with partners to share revenue in return for commitments to trade. The French bank earlier this year announced it would exit over-the-counter (OTC) commodities trading as part of a push to improve profitability, but did not say it would close on-exchange business. The LME said in a statement: "We are committed — with the support of our existing participants — to overcome current challenges in order to achieve our original ambition."

Gold may be heading for decade-long bull phase as memories of US Fed in 2008 evoked- THE gold market could be due a major breakout in the coming year as fears escalate the US economy will slide into recession. The bank's gold analysts John Bridges and Sidharth Mishra, writing ahead of the Denver Gold Show, scheduled to begin on September 15, said economic conditions may see gold purchases similar in scope to 2008 when the metal's price moved through \$1,900 per ounce. Gold is trading at \$1,553/oz following an unsurprising burst of profit-taking. The first would see a lowering in interest rates as is already being forecast followed by a second phase in which the US Federal Reserve would be compelled to implement strategies to stimulate the economy. In 2008, the Fed embarked on a period of quantitative easing. Former chairpersons such as Ben Bernanke don't believe those exact measures will be adopted this time, but JP Morgan Cazenove analysts said debt was high as in 2008 which could precipitate a third phase in which new money was printed. Monetary policy of this ilk is favourable for gold which is seen as a store of wealth during periods of economic

India Silver Imports Tripled In July As Prices Rise- As the silver price began to take off in July, Indian silver imports surged three-fold versus the same period last year. Something must have motivated the Indians to import more silver because the summer months haven't typically been a strong buying season. However, one factor that may have caused the huge increase of Indian silver demand in July may have been due to the big jump in the gold price. India's gold imports in July plunged 55% from a year ago to the lowest level in three years as a rally in local prices to a record high and a hike in import taxes curtailed demand.

Global gold output to rise through 2023 - Australia, Russia and the US are expected to lead the charge with 23 of the 90 new or expansion projects progressing towards production in these jurisdictions. The majority of gold production growth will be supported by Russia, which is expected to deliver a net increase of 3.4Moz, at a CAGR of 4.5%, over the forecast period. This will be followed by the US with a net increase of 1.6Moz, at 4.7% CAGR; and Australia with 1.4Moz at 2.8% CAGR. The largest mines expected to enter production in the next four years are the Donlin and Kerr-Sulphurets-Mitchell (KSM) projects, in 2023, as well as Pascua-Lama in 2021. These mines will have a combined annual gold production capacity of more than 3.2Moz. "The list of mines undergoing expansion includes some of the longest-operating mines such as Turquoise Ridge and Round Mountain in the US; and the St Ives gold mine complex and Olympic Dam mines in Australia.". In contrast, production is declining in China, Chile and Mexico. Production in China declined by 5.9% in 2018 due to the introduction of the environmental protection tax, which has led to an increase in mining processing costs. Newmont Goldcorp has become the world's leading gold mining company and is expected to produce between 6-7Moz of gold in 2019. In 2018, the company produced 5.1Moz, which is lower than the prior year due to lower grades at several sites such as KCGM and lower leach tonnes at Phoenix. Carlin and

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