



**Daily Bullion Physical Market Report**

Report as on Monday, September 9, 2019

	<b>Important Resistance for MCX Gold Where Physical Player can look to fix his Sell Price</b>	<b>38921</b>	<b>Important Support for MCX Gold Where Physical Player can look to fix his Buying Price</b>	<b>38185</b>
		<b>39063</b>		<b>38043</b>
	<b>Important Resistance for Rupee Where Exporter can look to book his today's receivable</b>	<b>72.02</b>	<b>Important Support for Rupee Where Importer can look to book his today's payment</b>	<b>71.72</b>
		<b>72.18</b>		<b>71.58</b>

Gold Spot 995			Gold Spot 999		
Exch.	Descr.	LTP*	Exch.	Descr.	LTP*
CMDTY	Gold 995 - Ahmedabad	39450.00	CMDTY	Gold 999 - Ahmedabad	39580
CMDTY	Gold 995 - Bangalore	39490.00	CMDTY	Gold 999 - Bangalore	39640
CMDTY	Gold 995 - Chennai	39500.00	CMDTY	Gold 999 - Chennai	39650
CMDTY	Gold 995 - Cochin	39505.00	CMDTY	Gold 999 - Cochin	39655
CMDTY	Gold 995 - Delhi	39300.00	CMDTY	Gold 999 - Delhi	39450
CMDTY	Gold 995 - Hyderabad	39450.00	CMDTY	Gold 999 - Hyderabad	39600
CMDTY	Gold 995 - Jaipur	39370.00	CMDTY	Gold 999 - Jaipur	39490
CMDTY	Gold 995 - Mumbai	39350.00	CMDTY	Gold 999 - Mumbai	39500

\* Rates including GST

Silver Spot 999	
Descr.	LTP*
Silver 999 - Ahmedabad	48860.00
Silver 999 - Bangalore	48505.00
Silver 999 - Chennai	48480.00
Silver 999 - Delhi	48625.00
Silver 999 - Hyderabad	48600.00
Silver 999 - Jaipur	48710.00
Silver 999 - Kolkata	49020.00
Silver 999 - Mumbai	48765.00

\* Rates including GST

Gold Ratios
Gold Silver Ratio
80.51

Gold Crude Ratio
9.51

Bullion Futures on DGCX		
Exch.	Descr.	LTP
DGCX	GOLD 26SEP2019	1509.10
DGCX	GOLD QUANTO 27SEP2019	39500.00
DGCX	SILVER 26NOV2019	18.00

Gold and Silver Fix	
Descr.	LTP
Gold London AM FIX	1504.95
Gold London PM FIX	1523.7
Silver London FIX	18.22

Date	Gold*	Silver*
<b>06 Sep 2019 (Friday)</b>	38343.00	46980.00
<b>05 Sep 2019 (Thursday)</b>	39154.00	49675.00
<b>04 Sep 2019 (Wednesday)</b>	39188.00	49950.00

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

06 Sep 2019 (Friday)

Gold Market Update



Market View	
Open	38800.00
High	38978.00
Low	38376.00
Close	38553.00
Value Change	-341.00
% Change	-0.88
Dec-Oct	477.00
Feb-Dec	346.00
Volume	22365
Open Interest	14523
Cng in OI (%)	-5.09

SELL GOLD OCT 2019 @ 38650 SL 38780 TGT 38480-38350.MCX

Today's View & Outlook

Gold price returns to decline after testing 1525.00 level, to keep the bearish trend scenario active for the upcoming period, supported by the negative pressure formed by the EMA50, waiting to target 1493.80 level mainly, noting that holding below 1531.75 is important to continue the expected decline.

Gold on MCX settled down -0.88% at 38553 as upbeat remarks from Federal Reserve Chair Jerome Powell and improved risk appetite offset a weaker-than-expected U.S. nonfarm payrolls report. The U.S. Labor Department's monthly employment report showed job growth slowed more than expected in August, with retail hiring declining for a seventh month. U.S. data showing private employers' payrolls rose and the growth of the services sector accelerated in August increased investors' appetite for riskier assets, which were already buoyed by positive signs on U.S.-China trade talks. Despite the reassuring U.S. economic signs, bond markets still expect the Federal Reserve to cut interest rates this month. The sharp pullback came after gold hit a six-year high earlier in the week, the result of rising risk-aversion among portfolio investors against a backdrop of slowing global growth and lower nominal returns on government bonds around the world. Around \$17 trillion of bonds worldwide are now trading at negative yields. Demand for physical bullion was subdued in major Asian hubs in the week as high prices dampened consumer interest, although some hefty discounts on offer in India led to a slight uptick in buying ahead of a major festival season. However, dealers offered discounts of up to \$45 an ounce over official domestic prices this week, the biggest since August 2016, as jewellers held off on fresh purchases. Last week, discounts of up to \$24 were offered. India's August gold imports plunged 73% from a year ago due to a price rally and a hike in import duty, a government source said. Technically now Gold is getting support at 38294 and below same could see a test of 38034 level, and resistance is now likely to be seen at 38896, a move above could see prices testing 39238.

Silver Market Update



Market View	
Open	49190.00
High	49347.00
Low	47480.00
Close	47885.00
Value Change	-1573.00
% Change	-3.18
Mar-Dec	1010.00
May-Mar	677.00
Volume	59274
Open Interest	10192
Cng in OI (%)	-7.53

SELL SILVER DEC 2019 @ 48100 SL 48400 TGT 47600-47350.MCX

Today's View & Outlook

Silver price faces more of the negative pressure to hit our initial target at 18.30 and attempts to break it, reinforcing the expectations for the bearish correctional trend continuation in the upcoming sessions, and its next target is located at 18.00, supported by moving below the EMA50, reminding you that the expected decline depends on the stability below 19.00. The expected trading range for today is between 18.20 support and 18.80 resistance.

Silver on MCX settled down -3.18% at 47885 after the U.S. central-bank chief downplayed prospects of a recession in the world's largest economy. U.S. job growth slowed more than expected in August, with retail hiring declining for a seventh straight month, but strong wage gains should support consumer spending and keep the economy expanding moderately amid rising threats from trade tensions. The Labor Department's closely watched monthly employment report also showed a rebound in the workweek as manufacturers increased hours for workers after slashing them in July. The economy's waning fortunes, underscored by an inversion of the U.S. Treasury yield curve, have been largely blamed on the White House's year-long trade war with China. Stronger U.S. economic data and expectations that more monetary stimulus is on the way are other reasons for the precious metal's latest pullback. China and the United States agreed to hold high-level talks in early October in Washington, though no date has been set for the meeting. Data showed that U.S. services sector activity accelerated in August and private employers boosted hiring, helping ease investor worries over slowing growth. The Federal Reserve is expected to cut interest rates again this month to keep the longest economic expansion in history, now in its 11th year, on track. The U.S. central bank lowered borrowing costs in July for the first time since 2008. Technically market is under long liquidation as market has witnessed drop in open interest by -7.53% to settled at 10192 while prices down -1573 rupees, now Silver is getting support at 47127 and below same could see a test of 46370 level, and resistance is now likely to be seen at 48994, a move above could see prices testing 50104.

USDINR Update



Market View	
Open	72.0300
High	72.0700
Low	71.7425
Close	71.8400
Value Change	-0.1625
% Change	-0.23
Oct-Sep	0.27
Nov-Oct	0.24
Volume	1653090
Open Interest	3224014
Cng in OI (%)	-0.27

SELL USDINR SEP 2019 @ 71.95 SL 72.10 TGT 71.78-71.65. NSE

Today's View & Outlook

Rupee ended with gains on improved risk sentiments over optimism on US-China trade war. The gain in the Chinese yuan and selling by foreign banks also supported the rupee. China's commerce ministry said that the trade talks in early October were decided during a phone conversation between Chinese Vice Premier Liu He, US Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin. Technically now USDINR is getting support at 71.73 and below same could see a test of 71.5725 level, and resistance is now likely to be seen at 72.0575, a move above could see prices testing 72.2275.

Rupee ended with gains on improved risk sentiments over optimism on US-China trade war. The gain in the Chinese yuan and selling by foreign banks also supported the rupee. China's commerce ministry said that the trade talks in early October were decided during a phone conversation between Chinese Vice Premier Liu He, US Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin. This would be the first in person discussion between the two countries since the escalation of trade war in recent weeks. The Reserve Bank of India's move to compel lenders to link all new floating rate retail loans to external benchmarks is unlikely to achieve the intended goal of reducing interest rates sharply for consumers anytime soon. The RBI ordered all banks to link certain loans to the external benchmark based interest rate from Oct. 1, saying banks had not satisfactorily passed on the benefit of recent policy rate cuts to consumers. The RBI, which has stressed the need for passing rate cuts faster to consumers, has since February reduced its benchmark repo rate by 110 basis points. Most Indian lenders that rely on an opaque rate-setting mechanism that takes into account their own costs, have not kept pace. 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. Technically now USDINR is getting support at 71.73 and below same could see a test of 71.5725 level, and resistance is now likely to be seen at 72.0575, a move above could see prices testing 72.2275.

**Bullion News**

# Gold futures failed to hold early gains, weighed down by positive comments about the U.S. economy from the Federal Reserve Chairman Jerome Powell. Gold prices had edged higher earlier in the session after data from the Labor Department showed a much less than expected growth in U.S. jobs in August. Powell said that despite the uncertainty caused by the trade war, the Fed does not currently anticipate a recession, noting the labor market and consumer spending remain strong. "We're not forecasting or expecting a recession," the Fed chief said. "The most likely outlook is still moderate growth, a strong labor market and inflation continuing to move back up." He also reiterated that the Fed will "act as appropriate" to sustain the U.S. economic expansion.

# India's gold imports hit the lowest level in 3 years on high domestic prices, import duty - India's gold imports in August plunged 73% 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 duty curtailed retail purchases of the precious metal, a government source said on Wednesday. Lower imports by the world's second-biggest consumer could cap gains in global prices that are trading near their highest level in over six years but help the south Asian country in bringing down the trade deficit and supporting the rupee.

# Recycling of old gold up 15-20% in August - Recycling of old gold has increased 15-20 per cent year on year in August, according to industry estimates, as consumers seek to balance wedding demand with increased prices of the precious metal. Jewellers said there has been a surge in the number of customers walking into stores to exchange old gold ever since gold prices started rising steeply after a long lull. Alongside, they said, some people have used the opportunity to exchange old gold for cash as well.

# Gold seen cracking US\$1,600 as Fed goes for cut, cut, cut, cut - Gold will surge above US\$1,600 an ounce as the Federal Reserve embarks on a quartet of interest rate cuts to combat slowing U.S. growth and the fallout from the trade war with China, according to BNP Paribas SA, which flagged prospects for a significant rise in prices in the coming months. Bullion will benefit as the Fed opts for four, 25 basis point cuts between this month and June 2020, Harry Tchilinguirian, head of commodity research, said in a note. As nominal yields fall with each reduction, "real rates will move and stay in negative territory, raising the appeal of holding gold," he said.

# Venezuela's gold reserves drop by \$1bn in first half of this year - Gold reserves held by Venezuela's central bank fell by \$1bn in the first half of 2019, official data released this week showed. The figures come amid opposition accusations that the government is selling the precious metal abroad to raise revenue in the face of US sanctions. The value of the gold bars in central bank vaults fell to \$4.62bn down 18.5 per cent from \$5.67bn at the end of 2018 - the lowest in 75 years, according to bank data. Opposition leaders have for months accused the government of President Nicolas Maduro of withdrawing gold to sell abroad as US financial sanctions have crippled oil exports and blocked it from borrowing abroad.

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Mumbai. INDIA. Mobile: 9320096333 / 9619551030 Email: info@kediacommodity.com URL: www.kediaadvisory.com

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