



INDIA BULLION AND JEWELLERS ASSOCIATION LTD.

Since 1919



Daily Market Update

Report as on Friday, August 17, 2018

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Gold prices recovered after a fall on Thursday settled down 1.36 at Rs.29330, after plunging to a low of Rs.29283 earlier in the session as the greenback's fall from higher levels triggered some buying in the safe haven investment. The dollar moved further away from a 13-month peak on improved risk appetite after China said it would hold a fresh round of talks with the United States later this month in an effort to diffuse tensions.

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Good news for gold traders! MCX India, IBJA join hands to set up bullion spot exchange - MCX today said it has signed a memorandum of understanding (MoU) with India Bullion and Jewellers Association (IBJA) to set up bullion spot exchange. "MCX and IBJA have entered into an MoU to explore collaboration in setting up a bullion spot exchange in the country, in line with the government's vision of a regulated spot platform", MCX managing director and CEO Mrugank Paranjape said in a statement here. It will help in establishing trade-efficient and consumer-friendly system of regulated gold exchange in the country for bullion stakeholders for efficient price discovery and transparency, he said. Gold spot exchange, once set up, would help in creating a vibrant gold ecosystem corresponding to India's annual demand of around 800-900 tonnes.

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Turkish Gold Futures Volume Explodes As Silver Slammed To Lowest Since April 2009 - While it seems American (dollar) investors see no value in the barbarous relic, Bloomberg reports that Gold futures volumes have surged on the Borsa Istanbul as the volatile currency attracts speculation and after the lira's plunge boosted the local price of metal. The 90-day average daily volume more than doubled to 40,000 contracts, from about 17,000 in March. During the same time, the value of an ounce of gold in lira rocketed more than 30 percent. As the dollar surges, precious metals are under notable pressure, but silver is dramatically underperforming gold as its industrial-usage weighs it down to its lowest price since April 2009.

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Global Gold Investment Demand Plunged 9% in Q2 2018 - The investment demand for gold dropped significantly during the second quarter of the current year. In accordance with the Gold Demand Trends Q2 2018 report published by the World Gold Council (WGC), the investment demand plunged by nearly 9% during the quarter. This was mainly on the back of huge contraction in inflows to gold-backed ETFs. Meantime, gold bar and coin demand remained mostly unchanged. The inflows into gold-backed ETFs witnessed considerable decline from 62.5t during Q2 2017 to 33.8t in Q2 this year. Much of the inflows were directed towards the European-listed funds, whereas the North American funds witnessed net outflows, as U.S. investors focused on domestic economic improvement. The European funds absorbed 52.3t of inflows during the quarter. The regional funds accounted for 83% of the global inflows during the first half of 2018.

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Gold Jewelry to Get VAT Exemption - A bill is under review by parliamentary committees to boost the gold jewelry sector by exempting domestic producers from a 9% value-added tax on sales, the head of Gold and Jewelry Union said. "In our negotiations with Majlis Research Center, Majlis Economic Commission and other lawmakers, we set out the case for new gold jewelry products ... to be exempted from value-added tax," Ayat Mohammad Vali also told ICANA on Wednesday. "The new law has been approved by the economic commission, but has yet to go to the floor," he added. The tax policy has met strong criticism for undermining the jewelry manufacturing sector and eroding the competitive edge of Iranian exporters.

Date	Gold*	Silver*
16 Aug 2018 (Thursday)	29520.00	36790.00
14 Aug 2018 (Tuesday)	29705.00	37530.00
13 Aug 2018 (Monday)	29805.00	37825.00

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

16 Aug 2018 (Thursday)

IBJA Daily Market Update



Outlook: Gold prices remained under pressure amid broadly strong dollar continued to weigh on demand for bullion despite news that China and the United States will hold trade talks this month. For the day prices a jump towards 29420-29480 will look to sell with a stoploss of above 29650 expecting prices to drop towards 29320-29200 level.

Market View		Daily Levels	
Open	29600.00	Resistance	
High	29600.00	29842.00	
Low	29283.00	29721.00	
Close	29330.00	29525.00	
Value Change	0.00	29208.00	
% Change	0.00	29087.00	
Margin	5.00	28891.00	
Margin (Rs.)	146650	Support	
Volume	10984.00	Spread	
Open Interest	7981.00	DEC - OCT	
Cng in OI (%)	0.00	FEB - DEC	
Prev Value(Mln)	0.00	302.00	
52 Week High	31963.00		
52 Week Low	29283.00		

Gold on MCX settled down -1.36% at 29330 despite news that China and the United States will hold trade talks this month. The meeting between a Chinese delegation and U.S. representatives offers hope for progress in resolving the trade conflict that has unnerved financial and commodity markets in recent weeks. China and the United States will hold lower-level trade talks this month, the two governments said on Thursday, offering hope that they might resolve an escalating tariff war that threatens to engulf all trade between the world's two largest economies. The United States warned Turkey to expect more economic sanctions unless it hands over detained American pastor Andrew Brunson, as relations between the two countries took a further turn for the worse. U.S. President Donald Trump praised the strength of the U.S. dollar on Thursday after the greenback reached a 14-month high against a broad basket of other currencies a day earlier. U.S. homebuilding rebounded less than expected from a nine-month low in July, suggesting the housing market was likely to tread water for the rest of this year against the backdrop of rising construction costs and labour shortages. Political and economic uncertainty have seen investors opt for the safety of U.S. Treasuries and the U.S. currency, which when it rises makes dollar-denominated gold more expensive for holders of other currencies, potentially subduing demand. Federal Reserve Chairman Jerome Powell is scheduled to speak next Friday, Aug. 24, at the annual global central bank conference in Jackson Hole, Wyoming, the Fed said on Thursday. Technically now Gold is getting support at 29208 and below same could see a test of 29087 level, And resistance is now likely to be seen at 29525, a move above could see prices testing 29721.

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Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahmedabad	30250.00
CMDTY	Gold 995 - Bangalore	30275.00
CMDTY	Gold 995 - Chennai	30290.00
CMDTY	Gold 995 - Cochin	30295.00
CMDTY	Gold 995 - Delhi	30285.00
CMDTY	Gold 995 - Hyderabad	30260.00
CMDTY	Gold 995 - Jaipur	30260.00
CMDTY	Gold 995 - Kolkata	30300.00
CMDTY	Gold 995 - Mumbai	30285.00

* Rates including GST

Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahmedabad	37550.00
CMDTY	Silver 999 - Bangalore	37920.00
CMDTY	Silver 999 - Chennai	37915.00
CMDTY	Silver 999 - Delhi	37920.00
CMDTY	Silver 999 - Hyderabad	37955.00
CMDTY	Silver 999 - Jaipur	37955.00
CMDTY	Silver 999 - Kolkata	37960.00
CMDTY	Silver 999 - Mumbai	37850.00

* Rates including GST

Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 26SEP2018	1179.70
DGCX	GOLD 28NOV2018	1186.60
DGCX	GOLD QUANTO 27SEP2018	29318.00
DGCX	GOLD QUANTO 29NOV2018	29495.00
DGCX	SILVER 29AUG2018	14.67
DGCX	SILVER 28NOV2018	14.68
DGCX	SILVER QUANTO 30AUG2018	40436.00
DGCX	SILVER QUANTO 29NOV2018	41189.00

Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahmedabad	30380.00
CMDTY	Gold 999 - Bangalore	30425.00
CMDTY	Gold 999 - Chennai	30440.00
CMDTY	Gold 999 - Cochin	30445.00
CMDTY	Gold 999 - Delhi	30435.00
CMDTY	Gold 999 - Hyderabad	30410.00
CMDTY	Gold 999 - Jaipur	30380.00
CMDTY	Gold 999 - Mumbai	30435.00

* Rates including GST

Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	29330.00
MCX	GOLD 05OCT2017	29542.00
MCX	GOLD 05DEC2017	29844.00
MCX	SILVER 05JUL2017	36889.00
MCX	SILVER 05SEP2017	37712.00
MCX	SILVER 05DEC2017	38517.00

Gold and Silver Fix

Exch.	Descr.	Last
CMDTY	Gold London AM FIX	1341.05
CMDTY	Gold London PM FIX	1341.05
CMDTY	Silver London FIX	16.45

Gold / Silver Ratio

Exch.	Descr.	Last
INTL. SPOT	GOLD SILVER RATIO	80.30
MCX	MCX GOLD SILVER RATIO	79.51

IBJA Daily Market Update

Report is prepared for information purposes only.

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