



**INDIA BULLION AND JEWELLERS  
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## IBJA Market Update

### Daily Market Update

**Report as on Monday, April 23, 2018**

# **Polled Premium/Discount for 995 gold in Ahmedabad -0.25 USD/troy oz on April 20, 2018.**

# Gold prices will remain susceptible to any further gains in the dollar this week after declines on Friday on the back of a stronger greenback which was boosted by expectations for a more aggressive pace of policy tightening by the Federal Reserve this year. Metals traders will be awaiting an update on the health of the U.S. economy ahead of Friday's data on first quarter growth, which could help determine the direction of the dollar. Trade and geopolitical developments will also be in focus as possible drivers of safe haven demand for the precious metal amid lingering worries over the simmering trade tensions between the U.S. and China.

# Russia adds to gold reserves again in March - China may continue to be telling the world that it has added zero to its gold reserves since October 2016, but Russia is still increasing its gold hoard on a monthly basis. Its official total gold reserve holding as reported to the IMF surpassed that of China a couple of months ago and continues to rise further with the central bank reporting another 300,000 ounces (9.33 tonne) increase in March bringing its official gold holding to around 1,890 tonnes, now getting on for nearly 50 tonnes more than China's 'official' total of 1,842.6 tonnes.

# North Korean nuclear freeze can subdue gold - Gold prices remained range-bound and volatile in the past week. The global spot gold prices rose to a high of \$1,355 per ounce, but fell thereafter, giving back all the gains. The prices have closed at \$1,336 per ounce, down 0.7 per cent for the week. But the case for silver was different as the prolonged sideways range movement came to an end. After several weeks of under-performance, silver outperformed gold last week. The geo-political development over the weekend may result in a weak beginning for bullion this week. North Korea's decision to suspend further nuclear tests may ease the tension in the market and trigger a strong rally in risky assets. This may keep the bullion prices subdued for some time.

# Silver Speculators Sharply Reduced Their Bearish Bets This Week - Large precious metals speculators sharply cut back on their bearish net positions in the Silver futures markets this week, according to the latest COT data released by the CFTC on Friday. The non-commercial futures contracts of Silver futures, traded by large speculators and hedge funds, totaled a net position of -87 contracts in the data reported through Tuesday April 17th. This was a weekly boost of 14,746 contracts from the previous week which had a total of -14,833 net contracts. This week's gain marks the largest one-week rise in bullish bets since January 9th when net positions rose by +15,285 contracts.

# Demand for gold projected to drive up prices from Q3 - The price of gold is expected to grow sustainably from the third quarter this year, a Chinese annual revealed recently. Jointly issued by the China Gold Association, the WGC and British Metals Focus Ltd, the annual showed a positive outlook for the growth curve of gold prices, particularly starting in July, 2018. Despite the minor fluctuations, which are predicted to last till the end of the second quarter, gold prices are forecasted to increase in the third quarter, following the weakening of the U.S. dollar, fluctuating stock markets and dented confidence in global economic performance. Moreover, according to Wang Lixin, the general manager of the Chinese division of the WGC, geopolitical uncertainties may also drive up the price.

Date	Gold*	Silver*
20 Apr 2018 (Friday)	31465.00	40160.00
19 Apr 2018 (Thursday)	31405.00	40160.00
18 Apr 2018 (Wednesday)	31440.00	39565.00

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

20 Apr 2018 (Friday)

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Outlook: Gold prices looks to remain pressure as the dollar remained supported on the back of rising U.S. Treasury yields. For the day prices a jump towards 31480-31520 will look to buy with a stoploss of above 31620 expecting prices to drop towards 31340-31240 level.

Market View		Daily Levels	
Open	31522.00	Resistance	
High	31564.00	31700.00	
Low	31396.00	31632.00	
Close	31432.00	31532.00	
Value Change	-166.00	31364.00	
% Change	-0.53	31296.00	
Margin	5.00	31196.00	
Margin (Rs.)	157160	Support	
Volume	6398.00	Spread	
Open Interest	8462.00	AUG - JUN	
Cng in OI (%)	-3.93	OCT - AUG	
Prev Value(Mln)	20122.39	168.00	
52 Week High	31620.00	179.00	
52 Week Low	28421.00		

Gold on MCX settled down -0.53% at 31432 as the dollar advanced on expectations of higher U.S. interest rates and market players grew a bit less worried about global political and security risks. Also pressuring bullion, a U.S. central banker said the Federal Reserve should keep raising interest rates this year and next to keep the economy from overheating and financial stability risks from rising. Investors were less jittery about geopolitical tensions that had supported gold prices earlier in the week, notably Syria and North Korea. Investors were also relieved that no new U.S. demands on trade came out of a summit between Japanese Prime Minister Shinzo Abe and Trump. Hedge funds and money managers raised their net long positions in COMEX gold contracts in the week to April 17, U.S. Commodity Futures Trading Commission (CFTC) data showed. Speculators raised their net long position in COMEX gold by 5,382 contracts to 143,594 contracts, according to the CFTC. This was the largest position since late March. Physical gold demand in second-biggest consumer India saw an uptick in the week ahead of a key festival. India's gold imports in March halved from a year ago to 52.5 tonnes as a rally in local prices to 16-month high slashed demand, provisional data from precious metals consultancy GFMS showed. Meanwhile, appetite for physical gold in other Asian centres remained muted as high bullion prices kept most buyers on a wait-and-see mode. Premiums in top consumer China ranged between \$6 to \$8, little changed from last week. Technically now Gold is getting support at 31364 and below same could see a test of 31296 level, And resistance is now likely to be seen at 31532, a move above could see prices testing 31632.

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## Gold Spot 995

Exch.	Descr.	Last*
CMDTY	Gold 995 - Ahemdabad	32250.00
CMDTY	Gold 995 - Bangalore	32270.00
CMDTY	Gold 995 - Chennai	32305.00
CMDTY	Gold 995 - Cochin	32300.00
CMDTY	Gold 995 - Delhi	32290.00
CMDTY	Gold 995 - Hyderabad	32220.00
CMDTY	Gold 995 - Jaipur	32215.00
CMDTY	Gold 995 - Kolkata	32300.00
CMDTY	Gold 995 - Mumbai	32240.00

\* Rates including GST

## Silver Spot 999

Exch.	Descr.	Last*
CMDTY	Silver 999 - Ahemdabad	41150.00
CMDTY	Silver 999 - Bangalore	41420.00
CMDTY	Silver 999 - Chennai	41495.00
CMDTY	Silver 999 - Delhi	41430.00
CMDTY	Silver 999 - Hyderabad	41500.00
CMDTY	Silver 999 - Jaipur	41415.00
CMDTY	Silver 999 - Kolkata	41700.00
CMDTY	Silver 999 - Mumbai	41510.00

\* Rates including GST

## Bullion Futures on DGCX

Exch.	Descr.	Last
DGCX	GOLD 29MAY2018	1335.60
DGCX	GOLD 27JUL2018	1358.40
DGCX	GOLD QUANTO 30MAY2018	31380.00
DGCX	GOLD QUANTO 30JUL2018	31598.00
DGCX	SILVER 26APR2018	17.15
DGCX	SILVER 27JUN2018	17.12
DGCX	SILVER QUANTO 27APR2018	40500.00
DGCX	SILVER QUANTO 28JUN2018	41079.00

## Gold Spot 999

Exch.	Descr.	Last*
CMDTY	Gold 999 - Ahemdabad	32380.00
CMDTY	Gold 999 - Bangalore	32420.00
CMDTY	Gold 999 - Chennai	32455.00
CMDTY	Gold 999 - Cochin	32450.00
CMDTY	Gold 999 - Delhi	32440.00
CMDTY	Gold 999 - Hyderabad	32370.00
CMDTY	Gold 999 - Jaipur	32335.00
CMDTY	Gold 999 - Mumbai	32390.00

\* Rates including GST

## Bullion Futures on MCX

Exch.	Descr.	Last
MCX	GOLD 04AUG2017	31432.00
MCX	GOLD 05OCT2017	31600.00
MCX	GOLD 05DEC2017	31779.00
MCX	SILVER 05JUL2017	40479.00
MCX	SILVER 05SEP2017	41058.00
MCX	SILVER 05DEC2017	41516.00

## 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	78.26
MCX	MCX GOLD SILVER RATIO	77.65

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Report is prepared for information purposes only.

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