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Bullion Bulletin™

Information Insights for Bullion Business

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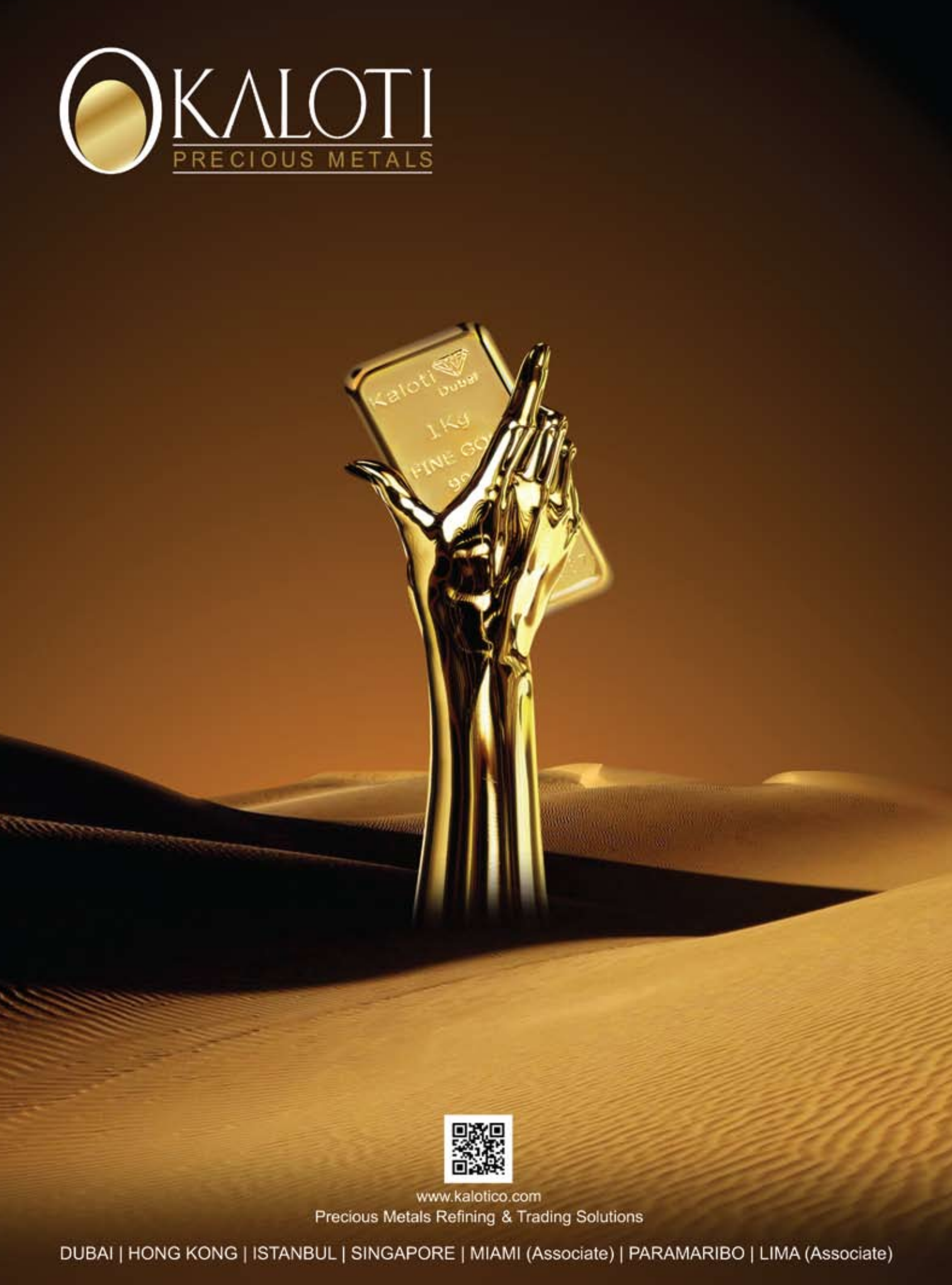

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Bullion Bulletin

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Dear Readers,



The air is still filled with Modi mania. Every citizen expects high growth after a prolonged period of slow and low growth in the economy. The people of India decisively voted for Mr. Modi and his team and gave them an absolute majority in Lower House of the Parliament signalling an end to the coalition politics era. The previous governments have struggled to take decisions on important economic matters for want of absolute majority in both the houses- Rajya Sabha and Lok Sabha. This time, though BJP has less representatives than Congress in Upper House, still, together (both Rajya Sabha and Lok Sabha), because of Lower House strength, Modi government has a distinct advantage over the previous governments. Besides, many important state elections will be held in the next two years. BJP and its allies are expected to do well on the basis of general election result. So, Mr. Modi will face less difficulty in implementing economic reforms that the country badly needs. Recent trends in FII flows and stock market movement also corroborate Mr. Modi's ability to deliver. Congratulations Mr. Prime Minister!

It's a proud moment for Indian bullion industry as well. MMTC PAMP India Pvt. Ltd., has got the London Good Delivery Status for gold in May'14 after satisfying the highest degree of compliance in all spectrums of refinery process. Earlier, the refinery got London Good Delivery Status for Silver. With this the company becomes one amongst the only three refiners in the world with LGD status for both gold and silver. I congratulate Mr. Rajesh Khosla, MD, MMTC PAMP and his entire team for such a wonderful achievement in such a short time.

In this issue, we continue with our DPMC coverage. We are also pleased to present a summary of our interaction with Ms. Harriet Hunnable of CME Group, London (the largest commodity exchange in the world) and representatives from Coeur Mining, the largest U.S. based primary silver producer. An article by Mr. Alasdair Macleod, Head of Research, Gold Money, I am sure, will help you understand the Chinese demand of gold better.

Thank you and best wishes.

Debajit Saha
Editor

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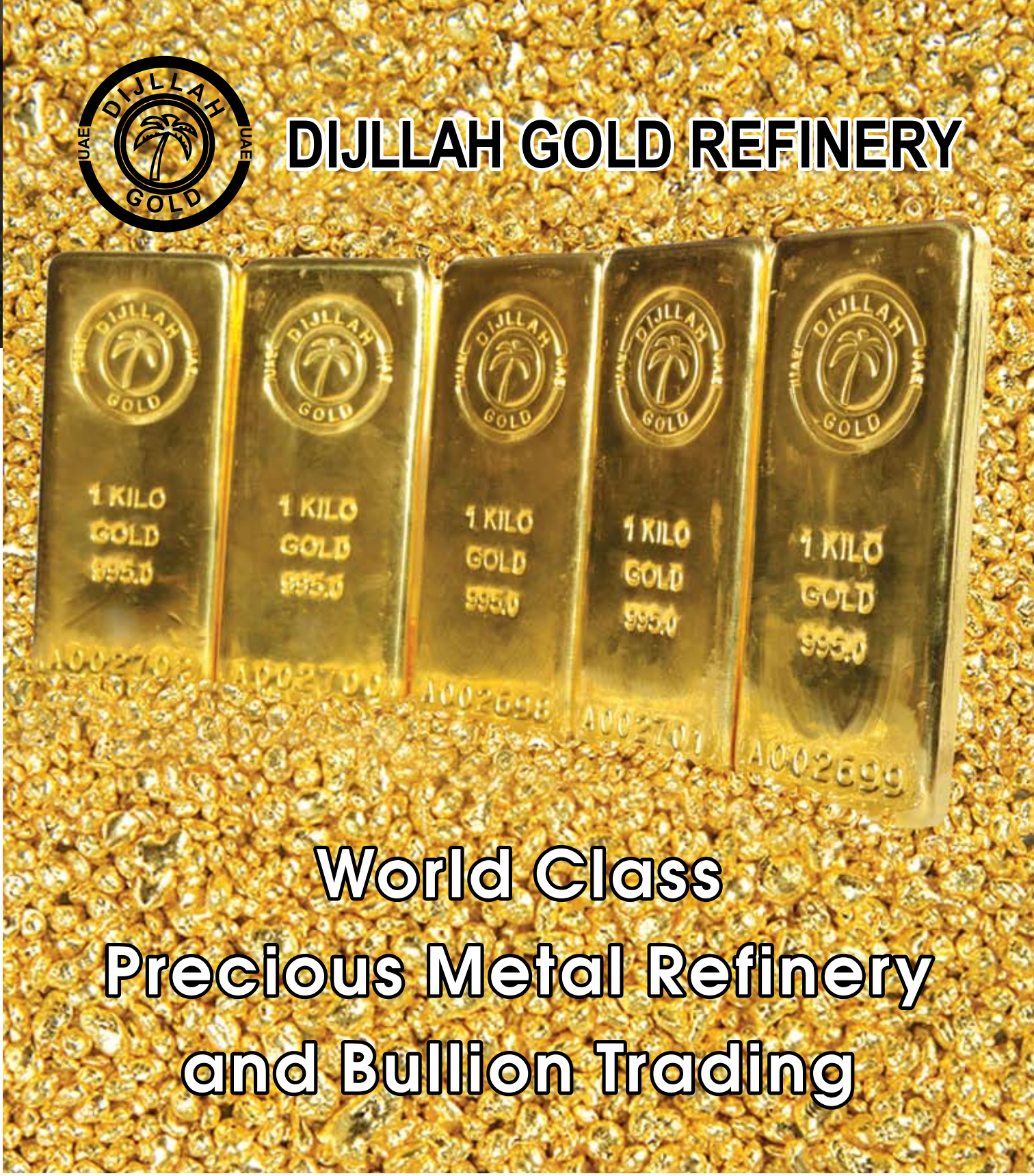

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The Man in Mission

Rajesh Khosla, Managing Director, MMTC PAMP India Pvt. Ltd.

How did you achieve the feet in such a short period of time?

LBMA Good Delivery accreditation has become an internationally accepted quality standard, guaranteeing that bars produced meet the stringent requirements outlined in the "LBMA Good Delivery List". Good Delivery Rules for Gold and Silver Bars include specific requirements for the fineness, weight, dimensions, appearance, marks, and production of bars. It specifies procedures for weighing, packing and delivery.

Coming barely a few weeks after MMTC-PAMP was awarded ISO 9001, ISO 14001 and OHSAS 18001 certifications by QS Zürich AG, a world-renowned certification body, the company has once again demonstrated the high quality of its gold and silver bars.

Because of the reputation of the partners and the exceptional quality of our products we got it only 24 months after start of our production. This is record for any refinery in the London market history.

This is a great achievement and the first of its kind for India; it shows that as a nation we have the resources and ability to compete worldwide in any field.

With Good Delivery status of both gold and silver, how are you planning to market your products in both domestic and international front?

We set up primarily to service the domestic requirement of gold. Export effort has to contend with the daunting provisions of "value add" contained in the EXIM Policy, which makes it impossible for bullion and denominations of minted products in excess of 8g weight. On the domestic front we have an all-India distribution network and even prior to getting the accreditation our bars were the preferred brand in the market. The accreditation reinforces our refining competence and should enable both banks and the regulators to aggressively consider schemes for monetization of above ground gold stocks, which is the only long term solution for the CAD problem the nation is facing.



Your primary focus will remain with refining 'dore' or you will be interested in refining 'scrap' as well?

Our International accreditation should provide greater comfort to banks and jewellers to deliver their scrap to us for being refined. We deliver prompt service with complete transparency and assurance, and provide end to end solutions to the industry.

■■■

The London Bullion Market Association

Friday 16th May, 2014

PRESS NOTICE

MMTC-PAMP India Pvt Ltd-added to the LBMA's Gold Good Delivery List.

The precious metals refinery of MMTC-PAMP India Pvt Ltd (MMTC-PAMP) of India has been added to the LBMA's Good Delivery List for gold with effect from 16th May, 2014.

MMTC-PAMP has satisfied the LBMA as to its ownership, history, production capability and financial standing. It has also passed the LBMA's exhaustive testing procedures, under which its gold bars were examined and assayed by independent referees, and its own assaying capabilities were tested.

LBMA

MMTC-PAMP is located in Mewat, Haryana. Its primary sources of gold feedstock are gold doré originating from mining companies in a number of countries, as well as gold scrap. MMTC-PAMP's refined gold output is mainly in the form of 100g bars, kilobars, large bars and gold grain.

■■■

Dubai must look for China…

Gerhard Schubert, Head of Gold and Commodities, Group Treasury, Arab Banking Corporation, talked about the recent changes in global LOCO market, shifting demand from west to east and importance of UAE in global gold market in detail while giving interview to **Debajit Saha** at DPMC 2014, Dubai. Excerpts…



The importance of London market is in many ways. London market should not be under estimated as it has still the dominating frame work or to say the largest lobby group.

What are the fundamental changes that took place in global LOCO market lately?

There are various changes that took place from demand side over the last three years and the theme of the conference is also the same i.e. demand moving from west to east. In the year 2012, India was still the biggest off taker and in 2013 this picture has changed. Numbers from market if to be believed, then 1200tons have been imported into China. Add to this 450tons of local production, China's consumption stands at 1650tons. So China and India account for 2500tons of off take together. It is quite phenomenal which is equal to the yearly fresh mine production. Switzerland still remains the physical supplier of the metal; from Switzerland it is being supplied either through Dubai to India or via Hong Kong to China. So, this is the fundamental change that has taken place in global bullion market.

What do you actually mean by saying that demand is shifting base from west to east?

What I meant is it will lead potentially to shortages of physical supplies in the western world. If all gold go to Switzerland refineries and then go to India and China, it means there is nothing left for any other part of the world. Switzerland is probably the most important refinery and supplier of physical bullion but do not forget that there is Rand refinery in South Africa who has enormous output as well; there is Perth Mint that is taking care of Australian gold. So if all the gold moves to east, that might lead at some stage some kind of shortages that would lead to higher gold lease rates and ultimately to higher prices.

Zurich is the major physical market; Dubai is now emerged as the largest trade flow center. So what is the importance of London market now?

The importance of London market is in many ways. London

The UAE is fundamentally still very much dependent on the business with India. This dependency got to be loosened now. Dubai needs to make very strong efforts to be recognized in Chinese market, too. Otherwise Dubai runs a risk of being left behind in the future.

market should not be under estimated as it has still the dominating frame work or to say the largest lobby group. London does not produce or melt gold. There is no London Good Delivery Refiner in London now. But, whatever the gold is coming out from vault of Bank of England is going primarily to Zurich to be transformed into kilo bars of .995 quality or to be precisely into .9999 to be supplied to Shanghai Exchange. London is still acting as the guardian for gold market.

Did you see any fundamental changes that took place between India and UAE trade relationship due to the Indian regulatory constraints?

In general we should be clear that India has not really imported less, it has imported around 850-925tons that is almost similar to the 2012 figure. The only difference is that probably the official figures are little bit lower because we are assuming that some unofficial gold import took place to India. It is not my place to comment on Indian regulation but in all fairness we have to say that the reduction of the current account deficit has been phenomenal and with that point of view, I can only congratulate RBI. I would like to see that the changes in regulation get reversed again and free imports should be allowed because in 2013, it appeared that gold was the only villain for large current account deficit which in reality is not true.

Because of the geographical location, world class infra structure, etc. UAE has become one of the major hubs for gold trade acting as a gateway for Asia and Africa. What can UAE improve more now?

The UAE is fundamentally still very much dependent on the business with India. This dependency got to be loosened now. Dubai needs to make very strong efforts to be recognized in Chinese market, too. Otherwise Dubai runs a risk of being left behind in the future.

How are you enjoying this conference? What is the difference from the previous two years this time?

This is always what we had in mind when we together started this journey. It has really portrayed itself very well as an international conference of superior professional standing.

.....

Mr Gerhard Schubert

Gerhard Schubert is Head of Gold and Commodities at Arab Banking Corporation, Bahrain. Prior to this, Gerhard Schubert was with Emirates NBD as Head of Commodities and with Fortis Nederland, now ABN AMRO Nederland, as Global Head of Precious Metals. Gerhard Schubert's career in Precious metals and Commodities spans more than three decades. He worked most of this time in London, as well as in Germany. Additionally, his global experience was further enhanced by working on assignments in Hong Kong, as well as in New York, before returning to Europe. Gerhard Schubert joined EmiratesNBD in January 2011. Gerhard Schubert is currently serving on the Management Committee and the Public Affairs Committee of the Dubai Gold Advisory Group (DGAG).

Market Remains Quite Robust at the Retailer Level…

Rhona o'Connell, Head of Research, Precious Metals and Energy, Thomson Reuters, talked about recent movements and challenges in gold trade, price expectation and PGM market sentiment etc. in detail while giving an interview to **Bullion Bulletin** at DPMC 2014, Dubai. Excerpts…

Do you think worst is over for gold?

I think the calamities for price fall are unlikely to be repeated. So in that sense yes the worst is over for gold because an awful of metal was washed out from weak handed holders leaving critical mass certainly in terms of the Exchange Traded Funds. And obviously the movements last year highlighted that the very strong appetite remains in the market places like China, parts of Far East and in Indian subcontinent. On that basis therefore, after this very sharp price falls we have illustrated that the market remains quite robust at the retailer level. We do not think necessarily that we have seen the price lows; we think we have probably got more weakness to come from part of this year. There may be a seasonal recovery towards the year end, but we expect that we may see a further downward drift during 2015 before we start to turn around in late 2015 and 2016.

How much price are you expecting for gold?

On a moving average basis, we are looking for about $1200/ounce for gold. We might test the $1000/ounce level briefly but having said that, there is evidence that pretty strong demand is waiting in the wings whenever the gold price goes down towards $1200/ounce mark.



Clearly there have been regulatory issues in multiple markets. It has been a function of increasing vigilance on the part of regulatory bodies and to some extent that has been hampering business. But I think this is temporary as everybody gets used to the different operating rhythms.

What are you expecting from ETF demand if the price comes down?

There are already some signs of interest; numbers are already showing that there has been revival in ETFs. We are also picking up certainly in United States. There is observed cautious buying activity among some of fresh investors who work in the over the counter sector. They are basically looking for more of portfolio diversification rather than capital gains.

You have experience of 25-30 years. In your view, what is the biggest challenge the industry has to address today?

That is a very interesting question. Clearly there have been regulatory issues in multiple markets. It has been a function of increasing vigilance on the part of regulatory bodies and to some extent that has been hampering business. But I think this is temporary as everybody gets used to the different operating rhythms.

Do you think that the central bank gold selling is coming to an end very shortly?

Large scale central bank selling was actually finished in 2010 and from 2011 onwards the official sector has been a buyer on a net basis. The central bank gold agreement has moderated the transactions coming out of the fifteen major signatories including European central bank since 1999.(It was 400tons for the first five year, 500tons for the second five year and then again 400tons for the third year). The third agreement comes to a close on 26th September this year. There is quite a lot of debate in the market about whether they will renew. I would say that it is probably an equal probability that they renew this time. The momentum has changed within the official sector; there has been a 1000tons swing between the net amount sold in the market. There is no real perceived lead among the large holders (particularly the European signatories, CBGA). There is no perception that they want to sell any of their gold. So it is perfectly possible that they may choose not to renew the agreement. The important thing about that is whether they do it in a positive way and they say to the market that the dynamics of the market is such that we do not feel that we need to protect our sales or it happens without any statement. If it happens without any statement, the market may react negatively. I think on balance, any change is likely to give positive light.

What is your understanding on PGM market? How will the PGM market shift?

PGMs markets are fascinating markets. They have a small number of producers unlike gold and silver. PGM is much more concentrated, particularly platinum in South Africa and palladium in Russia. There are strategic issues in both of these countries at the moment. When we get mine which is 2000m deep, it requires care and maintenance and that is expensive. It is perfectly possible that some of those panels inside those deep mines will not be able to go back to main stream or it would take a long time to bring them back to the workable level of efficiency. So we may have lost half a million ounce of platinum production through strike actions so far this year, we could easily lose another 250000-300000 ounces because of the time it takes to ramp up to the full capacity. That combined with gradual economic recovery and particularly the European auto sector points to a brighter outlook for platinum price. We, the GFMS Thomson Reuters team, have seen the platinum market at deficit this year and it looks to be deficit in the next year. Price has reacted pretty well from last six months or so. So it is going to be premium to gold. We are expecting things to get better.

We, the GFMS Thomson Reuters team, have seen the platinum market at deficit this year and it looks to be deficit in the next year. Price has reacted pretty well from last six months or so. So it is going to be premium to gold. We are expecting things to get better.

For palladium, we have issues with potential further sanction from Russia that is possibly little bit of headache now but I don't think it will make a big problem. The major issue for the metal is the suggestion of selling out of the government stock piles because it looks nearing the level beyond which the government does not want to sell. So with palladium being dominated by the Russian supply, we see that the palladium market will remain on a deficit; that is partly driven on the demand side by the recovery of auto sector. It is more complicated in that as the scrap supply is coming back. But even so it has been struggling to get through the $800 level and once it breaks the level it can go up to $900 mark and we will expect a challenge at $1000/ounce in 2-2.5 year time.

How are you enjoying the DPMC 2014?

It is a very well balanced conference. There is a very interesting blend of people here and I am thoroughly enjoying it. I hope it will carry on to more success.

.....

Ms Rhona O'Connell

Rhona O'Connell has over 30 years' experience as a commodities analyst, and is a recognized authority in the precious metals sector. She has worked as an analyst across many aspects of the industry, including the mining sector, commodities broking, and the equity markets; at Shearson Lehman Brothers she was the group precious metals analyst, which involved a combination of the above as well as advising the trading desks and the investment banking division on the outlook for the precious metals markets. The breadth of her experience means that she has an understanding of the whole range of aspects of these markets. She has held Extel ranking (2nd place) in the gold sector, has been the Association of Mining Analysts Commodities Analyst of the year and has a wide range of publications to her name as well as numerous public speaking and broadcast media engagements. Rhona worked in joint venture with research consultancy GFMS Ltd for almost nine years before GFMS became a part of Thomson Reuters.



Recycled Market to Supply 50% of Autocatalysis Demand…

John Fairley, Wallace Trading Ltd., discussed about the recycled PGM supply & its importance, platinum ETFs and issues in South African platinum production etc. while interviewed by **Bullion Bulletin** at DPMC 2014, Dubai. Excerpts…

What is the current trend in the recycled market of PGMs?

When we consider secondary, recyclable platinum group metals, we mostly talk about recycled autocatalysis from car scraps. The life of a car can be between 12-14 years. So to forecast the secondary metals appearing now, one has to go back 12-14 years. We will see that within the next year or two, there will be around 50% of the autocatalysis demand supplied from secondary metal source which is a very large number. That seems only a 70% efficiency of the recycled market.

When we talk about the autocatalysis recycled market of platinum and palladium, which metal will dominate in next ten years in your view?

For some years now, palladium has been increasingly used over platinum because it is very effective on gasoline engines and it is approximately half the price of platinum. So I think this trend will continue; palladium will take an increasing share but nevertheless there will be increase in platinum and rhodium because of their usage in diesel engines. Also emission standards are increasing so much that all the metals will be increasingly sought after because of more car markets adopting strict emission controls.

The largest platinum producer South Africa's industry is suffering from various issues. So what would be the impact in the market if this problem continues?

It could create significant problem in the short term if there is no settlement to the labour disputes in South Africa. Very soon, major producers down there will run out of their above ground stock piles. Then they have to either buy metal on the market or introduce 'force majeure' which in effect in the short term could create serious supply problems and subsequent price increment.

There is no real shortage from the recycled market as it is increasing all the time but there is a potential for big shortage from primary producers and metal being taken off from market by ETFs.

What do you think about the platinum ETF launched in South Africa?

There are ETFs in US and North Europe for platinum, palladium already but the new ETF in South Africa accounts for around 900000oz of metal. Two new ETFs have been launched in South Africa, one by ABSA and one by Standard Bank. I understand that in the first week approximately 80000oz of palladium have been consumed in those ETFs. Potentially that could be a big drain on liquidity.

Is it possible to recover 70% from the autocatalysis industry?

That is a conservative estimate. When I say efficiency, I mean the amount of metal recovered. The refiners and collectors that I have spoken to in the US and Europe say that 80% recovery is possible.

If we take everything in perspective, do you think in next ten years platinum pricing will find its own way and not follow gold price?

Historically platinum has followed gold for some period of time along with its fundamentals. For few years now, platinum has been following gold price wisely but I think we are about to possibly enter a year where platinum's fundamentals will be more of a price driver than following gold.

.....

Mr John Fairley

Mr John Fairley has a wide ranging experience and a successful track record in the, Platinum Group Metal (PGM), Gold and Silver, Refining, Mining and Chemicals industries. He served at a number of senior positions with Johnson Matthey PLC in their precious metals refining businesses, previously General Manager of Johnson Matthey PLC'sGold and Silver refining business and General Manager of Johnson Matthey Canada. He was a former Member of the Board of Management and Chairman of the Public Affairs Committee of the London Bullion Market Association (LBMA). He acted as a technical Consultant to the London Platinum and Palladium Market (LPPM). Currently Mr. Fairley is the director and owner of Wallace Trading Ltd - Consultancy Company in the Platinum Group Metal and Gold and Silver industries.

Artisanal Gold Mining is Equally Important in Gold Supply Chain…

Dr. Kevin Telmer, Executive Director, Artisanal Gold Council, discussed about the operational prospect of the sector, responsible sourcing, regulatory constraints and refining opportunity in Asia and Middle East in an interview with **Debajit Saha** at DPMC 2014, Dubai. Excerpts…



The price is so well known that it becomes a seller's market and it means transfer of wealth goes directly to rural poor very substantially.

You mentioned that artisanal gold miners receive only 70-80% of the international spot price on the mining site. Who are the buyers for the product?

Those are mainly the local site buyers and they buy directly from miners who these days have access to things like telecommunication system to know the international spot price. So, that is the point from which they begin to bargain. The price is so well known that it becomes a seller's market and it means transfer of wealth goes directly to rural poor very substantially.

Those companies which include mining companies and downstream companies, have the longer term vision to engage with artisanal miners now and they are going to be the most successful companies in the future.

What is the responsible guideline that you follow when sourcing from artisanal miners?

We try to bring several improvements to the artisanal gold mining sites. There is environmental issue, governance issue and also the market issue. On the environmental side, we try to help them reduce the use of mercury by showing them better practices; some other better extraction technologies capable of extracting equivalent or a greater amount of gold. We also help them improve the governance of the site by improving organizational aspects, by providing small business trainings,

if you look at the west i.e. North America and South America, they have been working at the industrial level for a longer period of time and they may be more engaged with that model whereas the east at this point of time perhaps is more open to understanding and finding models to work with artisanal miners.

scheduled maintenance of their equipments etc. We finally try to bring their gold production into a formal gold supply chain so that in a sense legalize them and bringing great stability.

Artisanal gold miners are producing 400tons i.e. 15-20% of the total global output in a year. How is it consumed?

Most of the artisanal gold comes out illegally, smuggled across borders and that is usually because there is regressive tax structure in place and you have to remember that for an artisanal gold miner, a 5% of the total value of gold as export tax forms 50% of their profit.

Why governments of those respective countries where artisanal mining take place are not regulating this particular section? What are the constraints?

First of all the capacity of the government is limited as many of the sites are remote. Government does not have the capacity to place government personnel in these remote sites. Sometimes the efforts to have government presence in an artisanal mining community go in vain as government personnel are paid less. Mostly there are logistic issues and there is issue of government authority in those remote sites.

Besides being one of the largest producers of gold, there is some artisanal mining existing in Peru. So how are they sustaining side by side?

I want to make two points on this. First of all, yes it is absolutely possible for large and small scale miners to coexist and collaborate. Currently it is mostly co-existence, sometimes peaceful and sometimes with conflicts. Those companies which include mining companies and downstream companies, have the longer term vision to engage with artisanal miners now and they are going to be the most successful companies in the future.

There are lot of refineries in Asia and Middle East. Do you think that this region is a potential buyer of artisanal mining products?

Absolutely! Dubai for example is very well connected to Africa both historically and physically. There is also a strong desire to buy artisanal gold responsibly. So if you look at the west i.e. North America and South America, they have been working at the industrial level for a longer period of time and they may be more engaged with that model whereas the east at this point of time perhaps is more open to understanding and finding models to work with artisanal miners.

Few words on DPMC 2014.

It has been a great conference. I found it very enlightening, had some wonderful conversations. People have been very appreciative of the perspective that I brought about artisanal mining. Lastly, it is a growing conference; there is a lot of excitement here.

.....

Dr Kevin Telmer

Dr. Kevin Telmer, is the Executive Director of the Artisanal Gold Council (AGC), an NPO that develops solutions and innovative programmes to improve artisanal and small scale gold mining (ASGM) in developing countries. He is an expert in ASGM with 18 years experience working in the field with miners, governments, international institutions, and industry in technical, policy, and business capacities. Dr. Telmer is a voice on the international stage on ASGM and has been published in numerous sources on the issue.

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Decline in Silver Price is not a Big Concern for Silver Mine Supply

Coeur Mining Team has discussed some of the current concerns that silver and gold mining industry has been facing in an exclusive interview with Bullion Bulletin.



Rise of mine production of silver and fall in price—How is it counterbalanced at this point in respect of rising cash costs?

The fall in silver price seems to have more to do with its correlation with gold prices and changes in investment demand dynamics rather than rising production. Rising mining costs across the industry were easier to handle when silver prices were in the +$30/ ounce range and lower-grade reserves became economic. The dramatic fall in the price of silver has forced miners to reign in operating and capital costs. At Coeur Mining, we've taken a very disciplined approach. We reduced operating costs by $27 million during 2013, our 2014 exploration spend is expected to be around 25% lower than 2013, and our capex spend is expected to be nearly 30% lower than 2013.

The lower price may delay large capital projects or force cash-strapped junior miners to shelve exploration or mine construction projects, but it is unlikely to restrain output from mines already in production since most of the world's silver comes as a by-product of mines producing other metals such as copper, lead, or zinc.

Industrial demand of silver is not rising. Is it a matter of concern for the mining industry?

Industrial demand declined very slightly in 2013 according to the World Silver Survey. However, rising silver demand for jewelry, investment, and silverware more than offset the decrease in industrial demand, leading to a record year for silver demand. Due to the wide variety of applications, industrial demand tends to be less volatile, with investment demand as the swing factor to watch.

In 2013, delta adjusted hedge-book in silver has fallen by 1,065 tons or 34.3 MoZ. Why are producers closing their hedge-books?

The reduction in the silver hedge book from 2012 to 2013 was largely a result of Barrick closing out their Pascua Lama silver hedges. In December 2010, they put collars in place on 65mm oz of silver. Since that time, prices have decreased materially and they were able to unwind their position at a profit of approximately $190mm. According to the 2014 Silver Institute Survey, Barrick's silver hedge unwind represented 79% of the global hedge book reductions last year.

The lower price may delay large capital projects or force cash-strapped junior miners to shelve exploration or mine construction projects, but it is unlikely to restrain output from mines already in production since most of the world's silver comes as a by-product of mines producing other metals such as copper, lead, or zinc.

As silver prices have continued to trade lower, producers have been reluctant to put more hedges in place.

There will be no London silver fix after August 2014. How would it affect the silver mining sector?

The silver fix is integral to our business. We use it as a basis for selling our metal. It's also used as the benchmark



The silver fix is integral to our business. We use it as a basis for selling our metal. It's also used as the benchmark in our silver hedging contracts. Our silver royalty calculations are based on the silver fix, and even our corporate insurance programs use the silver fix to determine the value of certain coverages. So the discontinuation of the silver fix is going to have a significant impact on us.

in our silver hedging contracts. Our silver royalty calculations are based on the silver fix, and even our corporate insurance programs use the silver fix to determine the value of certain coverages. So the discontinuation of the silver fix is going to have a significant impact on us.

It is our hope, however, that the LBMA's consultation on an alternative will be successful and that the market will get behind the LBMA's proposed solution by the August 14th deadline.

Sustainability is the cause of concern while mining gold as price of the metal has plummeted to near 'all in cost curve." What is your observation in this regard if gold continues to remain between $1200-1400/oz level?

The dynamics of silver (see first question above) are for the most part applicable to gold as well. There are two key differences: first, the price of gold is much more dependent on investment demand. We tend to see gold prices react to economic sentiment more than supply/demand balance. Second, gold is not frequently produced as a by-product so supply should be more sensitive to weak gold prices as miners struggle to find projects that would be economic at current gold prices. However putting a mine on care and maintenance is extremely expensive so the industry is still unlikely to see a meaningful reduction in output from producing mines unless gold prices dip below $1,200 for a sustained period.

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About Coeur Mining

Coeur Mining, Inc. is the largest U.S.-based primary silver producer and a growing gold producer. The Company built and commenced production from three wholly-owned, long-lived mines between 2008 and 2010: the San Bartolomé silver mine in Bolivia, the Palmarejo silver-gold mine in Mexico and the Kensington gold mine in Alaska. Further production has commenced from a leach pad at Coeur's long-time Rochester silver-gold mine in Nevada. The Company also owns a non-operating interest in a silver-base metal mine, Endeavor, in Australia.

Interview with Harriet Hunnable, Executive Director, Metals Products, CME Group

By Debajit Saha, Editor, Bullion Bulletin

Gold stocks in COMEX warehouse have risen in recent weeks, but it is at the lowest level for delivery since 1998. How are you looking at this fact?

A better way to assess the stock level might be to look at the stock level as a proportion of total open interest or positions in our markets. The current inventory for gold at COMEX, as an example, stands at a very healthy 22% of the open interest, which is much higher than the levels seen during the mid-1990s to the early 2000s. There has been a general upward trend in the inventory backing the positions in our contracts over the past decade. In other words, there is a greater percentage of COMEX inventories backing the open interest at the Exchange at present than there has been historically.

I recently went to see several of the depositories in New York and I was impressed by the healthy state of this industry. I saw really up-to-date facilities, and a strong desire to register with our exchange. This is happening because New York is a good place to store gold and our exchange works well with the depositories.

Activity on our exchange does reflect physical gold supply/ demand flows and the very international nature of our marketplace. While I cannot comment specifically on where gold comes in from or goes to, some of the stock that that comes out of the COMEX depository actually continues to be held in the USA, some moves to Europe and Asia Pacific.

There is a greater percentage of COMEX inventories backing the open interest at the Exchange at present than there has been historically.



The London Silver Fix is going to close by August 2014. How is CME Group looking at this particular event? Is there any negative impact on futures market?

CME Group's COMEX offers the most liquid, transparent marketplace for trading benchmark Gold and Silver derivatives contracts. Customers in London - and around the world – have used our listed, electronically-traded and centrally-cleared Gold and Silver contracts for price discovery and risk management for over fifty years.

While the London market is looking at a new way to set the daily spot price of silver, we are working closely with the precious metals industry and the LBMA to reduce market disruption by helping to find a robust transaction-based way to set the daily spot price so the markets can continue to work efficiently and seamlessly.

Consumption demand for precious metals is moving east. Do you think that there is a need for Asia specific futures contract in gold and silver

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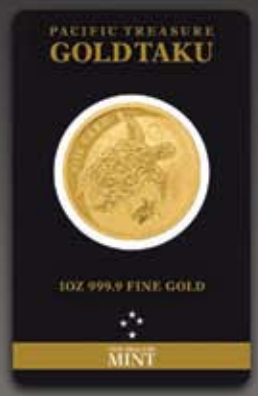



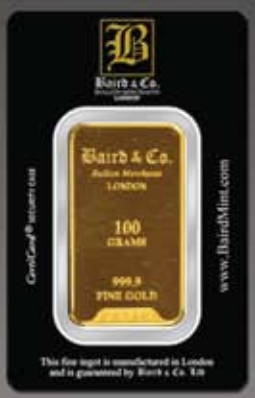









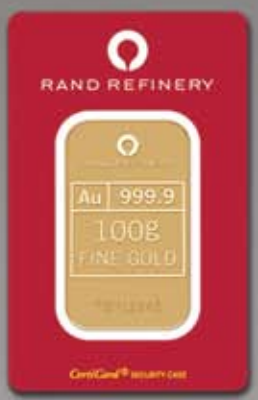







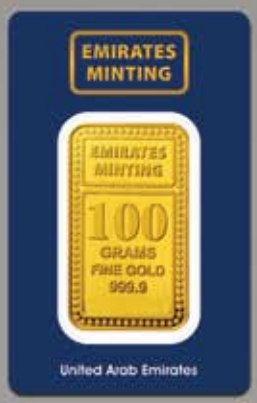

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11TH INDIA INTERNATIONAL GOLD CONVENTION - 201

Save the dates, 12-14 Sept 2014, JW Marri

The 10th anniversary of India International Gold Convention concluded successfully on Augu with over 500 delegates from across India & 15+ countries. The IIGC provided opportunit involve in serious business discussions through 23 booths & 12 business meeting tables meetings. Delegates from across the industry parallels be it refiners, dore suppliers, Indian B secure logistics, nominated agencies, large jewellers & wholesalers, utilized such opportunitie

Mark your dates for the 11th IIGC to be organized between 12 and 14 September 2014, Pune Maharasthra's Cultural Capital - Pune.



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WELCOME TO PUNE

Given the big liquidity that we have around our contracts, the understanding and good reputation that we have, I feel we provide something unique to the precious metals market today.

to be introduced on the COMEX platform?

We have a strong client base in Asia and we continue to see new participants from the region register to trade on our exchange. They are attracted to the deep liquidity of our precious metals contracts and the range of contracts on offer. No other exchange offers the facility to trade futures such as the Indian rupee, Australian dollars, crude oil, interest rates alongside gold.

We are seeing growth also from the arbitrage trade with other regional markets in Asia, such as Shanghai/COMEX and Tocom/COMEX. Over the past three years we have had success in launching new contracts and expanding our product range. We have a good track record in evaluating and analysing new opportunities, launching new contracts and building liquidity. We launched a new silver contract last year and traders were able to utilise the liquidity in the big contract. We are always assessing new contract opportunities. Asia is very interesting to us.

What is your understanding on the transformation of movement from west to east? Can this trend sustain?

It has been a positive shift. As we see income per capita rise, demand for gold has increased. We have also seen interest to trade futures on CME Globex- our electronic platform - increase. CME Globex is open during the Asian day and is easily accessible to traders in the region.

COMEX has increased the margin requirements aggressively to curb volatility in precious metals contracts in recent years. Now, trading in COMEX gold contract, for example, is three times costlier than trading in exchanges like DGCX in Dubai. With Dubai emerging as a great location to trade precious metals according to latest data, do you think DGCX can throw up serious competition to COMEX in coming years?

Our margin requirements have, in fact, reduced this year. The initial margin requirement for the COMEX gold contract has gone down nearly 25% from where they were mid-year last year. We have seen a similar reduction in the margin requirements for the COMEX silver contract. Our market share has increased but I do not think it has anything to do with margins.

We take competition seriously. Actually we have seen that some of the new contracts on Asian exchanges have generated new volume on COMEX. Given the big liquidity that we have around our contracts, the understanding and good reputation that we have, I feel we provide something unique to the precious metals market today.

As you mean to say that you are looking to integrate the Asian market with the CME, do you feel any constraints because of the varied time zones?

We feel the constraint is not there due to time zone differences. Now we have lots of resources in the region. We are here to help people on the ground during their working day.

Gold is the most leveraged instrument in the world. Is there any way to introduce daily limits in gold and silver contracts apart from increasing margins to cut volatility?

I do not agree that gold is the most leveraged instrument in the world. Futures and options provide the means to manage price risk and volatility. At CME Group, we provide information on our markets and this can help people to better understand the market and volatility.

Is there any deviation happening on the commercial participants side in your exchange?

Overall the commercial presence and activities are increasing at COMEX. We recently launched a new aluminium futures contract and the level of engagement from commercials has been outstanding. In precious metals, we continue to provide unique liquidity and product choice wherein they can manage short term price risk or execute longer term hedge programmes.

Back to Basics: Legal Standards for Advertising and Marking Silver in Jewellery

Suzan Flamm, Senior Counsel, Jewelers Vigilance Committee

Applying old law to recent developments can be a challenge. This is particularly true in the jewellery industry where new products, combining precious and base metals, are increasingly available. During the past two years, JVC has received a number of complaints about "silver" jewellery that, when tested, turned out to be an alloy of small quantities of silver combined with base metals, or were base metals covered with sterling silver and advertised as "silver-filled." A review of existing laws and standards in the United States is a good first step to understanding how to be legally compliant in a changing marketplace.



Traditionally, since silver was relatively inexpensive, silver plating was not commonly used in the manufacture of jewelry. As a result, there are no detailed legal standards in the United States for products that combine silver over base metals, as there are for products that combine gold with other metals.

The Legal Landscape in the United States: Existing Standards and New Developments

The current legal requirements that apply to the marking and advertising of products made with silver are contained in two sources. The oldest is the U.S. National Gold and Silver Stamping Act, enacted in 1906. Among other things, this statute addresses silver fineness and the marking of silver objects. Consequences for violating the Act include forfeiture and monetary penalties, as well as criminal sanctions. The statute also provides that competitors, as well as jewelry trade associations, may bring civil lawsuits for violations of its provisions.

The second source of standards is the U.S. Federal Trade Commission's Guides for the Jewelry, Precious Metal and Pewter Industries. Since 1996, these Guides have provided standards for jewelry, and other objects, made of precious metal and stones. Together with the Stamping Act, they are heavily relied upon by manufacturers and retailers in the United States to create an even playing field within the industry, and to protect consumers in the marketplace. Violation of the Guides may lead to an FTC civil enforcement action with resulting fines and injunctive relief.

In 2012, the FTC commenced a review of all the provisions in the Jewelry Guides, including those pertaining to silver products, and is expected to issue revised rules, perhaps later this year.

The existing standards regarding silver, as set forth in the Stamping

Act and the Guides, include the following important provisions:

- "Solid Silver" or "Sterling Silver" – these terms may be used only for objects that contain at least 925 parts per thousand pure silver.
- "Coin Silver" – this term is used for objects composed of at least 900, but less than 925, parts per thousand pure silver. These objects may not be marked or described as sterling silver.
- "Silver Plate" or "Silver Electroplate"

o An object may only be described as silver-plate or silver electroplate if all significant surfaces contain a plating or coating of silver that is of substantial thickness, meaning thick enough to assure a durable coverage.

o Silver plated or silver electroplated objects may not be stamped with the words "sterling" or "coin," either alone or in conjunction with other words or marks. Similarly, those words may not be used on any tag, card or label attached to the product, or on any box, package, cover or wrapper used to encase it.

Applying the Law to Industry Products

Traditionally, since silver was relatively inexpensive, silver plating was not commonly used in the manufacture of jewelry. As a result, there are no detailed legal standards in the United States for products that combine silver over base metals, as there are for products that combine gold with other metals. For example, the FTC Jewelry Guides contain several provisions regarding "gold filled" "gold plate," "gold wash" and "gold electroplate" and other similar products and processes. These provisions include standards as to the minimum amount of gold required on each before a particular term may be used. The term "gold filled," for instance, may only be used when the karat gold in the article constitutes at least 1/20th of the weight of the metal in the entire article. These sorts of provisions are currently absent from the Guides regarding silver.

With the price of silver on the rise, many manufacturers are producing jewelry that has silver over or combined with base metals. The sellers of these products must take care not to use terms that are undefined and that are likely to cause confusion, particularly the term "silver filled."

While the specific legal standards may be missing, the products exist. With the price of silver on the rise, many manufacturers are producing jewelry that has silver over or combined with base metals. The sellers of these products must take care not to use terms that are undefined and that are likely to cause confusion, particularly the term "silver filled." This term has no specific meaning when used for silver products, unlike the term "gold filled," which is addressed in the Guides and does have a specific meaning. Buyers might mistakenly assume that the same meaning applies in the context of silver, a misperception that could give rise to government regulatory action, or a lawsuit on the part of a competitor.

Conclusion

With new products on the market, the FTC's review of its Jewelry Guides comes at an opportune moment. The industry would be well served by clear standards regarding items that combine silver and base metals.

Protection against legal and financial risk requires up-to-date information on laws that impact the jewelry industry in the United States. JVC is available to help with this task by providing educational resources and legal information to the trade. For information, please visit JVC's website at www.jvclegal.org.

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Renewed Estimates of Chinese Gold Demand

Alasdair Macleod, Head of Research, Gold Money

I have been revisiting estimates of the quantities of gold being absorbed by China, and yet again I have had to revise them upwards. Analysis of the detail discovered in historic information in the context of China's gold strategy has allowed me for the first time to make reasonable estimates of vaulted gold, comprised of gold accounts at commercial banks, mine output and scrap. There is also compelling evidence mine output and scrap are being accumulated by the government in its own vaults, and not being delivered to satisfy public demand.

Quantifying demand

Identifiable demand is the sum of deliveries to the public withdrawn from SGE vaults, plus the residual gold left in Hong Kong, being the net balance between imports and exports. To this total must be added an estimate of changes in vaulted bullion stocks.

Hong Kong

Hong Kong provides import, export and re-export figures for gold. All gold is imported, exports refer to gold that has been materially altered in form, and re-exports are of gold transited more or less unaltered. Thus, exports refer mainly to jewellery which in China's case is sold directly into the Mainland without going through the SGE, and re-exports refer to gold in bar form which we can assume is delivered to the SGE. Some imported gold remains on the island, and some is re-exported from China back to Hong Kong. This gold is either vaulted in Hong Kong or alternatively turned into jewellery and sold mostly to visitors from the Mainland buying tax-free gold.

The mainstream media has reported on the large quantities of gold flowing from Switzerland to Hong Kong, but this is only part of the story. In 2013, Hong Kong imported 916 tonnes from Switzerland, 190 tonnes from the US, 176 tonnes from Australia and 150 tonnes from South Africa as well as significant tonnages from eight other countries, including the UK. She also imported 337 tonnes from Mainland China and exported 211 tonnes of it back to China as fabricated gold.

SGE vaulted gold

The increase in SGE vaulted gold in recent years can only be estimated. However, it was reported in earlier SGE Annual Reports to amount to 519.55 tonnes in 2008, 582.6 tonnes in 2009, and 841.8 tonnes in 2010. There have been no reported vault figures since.



The closest and most logical relationship for vaulted gold is with actual deliveries. After all, public demand is likely to be split between clients maintaining gold accounts at member banks, and clients taking physical possession. The ratios of delivered to vaulted gold were remarkably stable at 1.05, 1.03, and 0.99 for 2008, 2009 and 2010 respectively. On this basis it seems reasonable to assume that vaulted gold has continued to increase at approximately the same amount as delivered gold on a one-to-one basis. The estimated annual increase in vaulted gold is shown in the table below.

	2008A	2009A	2010A	2011E	2012E	2013E
Vaulted Gold	519.55	582.60	841.80	1013.03	1138.96	2196.96
Increase		63.05	259.20	201.23	95.93	1058.01

Note: Values are expressed in Tons.

The benefits of vault storage, ranging from security from theft to the ability to use it as collateral, seem certain to encourage gold account holders to continue to accumulate vaulted metal rather than take personal possession.

Supply

Supply consists of scrap, domestically mined and imported gold

Scrap

Scrap is almost entirely gold bars, originally delivered from the SGE's vaults into public hands, and subsequently sold and resubmitted for refining. Consequently scrap supplies tend to increase when gold can be profitably sold by individuals in a rising market, and they decrease on falling prices. There is very little old jewellery scrap and industrial recycling is not relatively significant. Official scrap figures are only available for 2009-2011: 244.5, 256.3 and 405.8 tonnes respectively. I shall therefore assume scrap supplies for 2012 at 430 tonnes and 2013 at 350 tonnes, reflecting gold price movements during those two years.

Scrap is refined entirely by Chinese refiners, and as stated in the discussion concerning mine supply below, the absence of SGE standard kilo bars in Hong Kong is strong evidence that they are withheld from circulation. It is therefore reasonable to assume that scrap should be regarded as vaulted, probably held separately on behalf of the government or its agencies.

Mine supply

China mines more gold than any other nation and it is generally assumed mine supply is sold through the SGE. That is what one would expect, and it is worth noting that a number of mines are members of the SGE and do indeed trade on it. They act as both buyers and sellers, which suggests they frequently use the market for hedging purposes, if nothing else.

Typically, a mine will produce doré which has to be assessed and paid for before it is forwarded to a refinery. Only when it is refined and cast into standard bars can gold be delivered to the market. Broadly, one of the following procedures between doré and the sale of gold bars will occur:

- The refiner acts on commission from the mine, and the mine sells the finished product on the market. This is inefficient management of cash-flow, though footnotes in the accounts of some mine companies suggest this happens.
- The refiner buys doré from the mine, refines it and sells it through the SGE. This is inefficient for the refiner, which has to find the capital to buy the doré.
- A commercial bank, being a member of the SGE, finances the mine from doré to the sale of deliverable gold, paying the mine up-front. This is the way the global mining industry often works.
- The government, which ultimately directs the mines, refiners and the SGE, buys the mine output at pre-agreed prices and may or may not put the transaction through the market.

I believe the government acquires all mine output, because it is consistent with the geopolitical strategy outlined at the beginning of this article. Furthermore, two of my contacts, one a Swiss refiner with facilities in Hong Kong and the other a vault operator in Hong Kong, tell me they have never seen a Chinese-refined one kilo bar. Admittedly, most one kilo bars in existence bear the stamp of Swiss and other foreign refiners, but nonetheless there must be over two million Chinese-refined kilo bars in existence. Either Chinese customs are completely successful in stopping all ex-vault Chinese-refined one kilo bars leaving the Mainland, or the government takes all domestically refined production for itself, with the exception perhaps of some 100 and 50 gram bars. Logic suggests the latter is true rather than the former.

Since the SGE is effectively a department of the PBOC, it must be at the government's discretion if domestic mine production is put through the market by the PBOC. Whether or not Chinese mine supply is put through the market is impossible to establish from the available statistics, and is unimportant: no bars end up in circulation because they all remain vaulted. It is material however to the overall supply and demand picture, because global mine supply last year drops to about 2,490 tonnes assuming Chinese production is not available to the market.

Geopolitics suggests that China acquires most, if not all of its own mine and scrap production, which accumulates in the vaulting system. This throws the emphasis back on the figures for vaulted gold, which I have estimated at one-for-one with delivered gold due to gold account holder demand. To this estimate we should now add both Chinese scrap and mine supply. This would explain why vaulted gold is no longer reported, and it would underwrite my estimates of vaulted gold from 2011 onwards.

Further comments on vaulted gold

From the above it can be seen there are three elements to vaulted gold: gold held on behalf of accountholders with the commercial banks, scrap gold and mine supply. The absence of Chinese one kilo bars in circulation leads us to suppose scrap and mine supply accumulate, inflating SGE vault figures, but a moment's reflection shows this is too simplistic. If it was included in total vaulted gold, then the quantity of gold held by accountholders with the commercial banks, as reported in 2009-11, would have fallen substantially to compensate. This cannot have been the case, as the number of accountholders increased substantially over the period, as did interest in gold investment.

Therefore, scrap and mined gold must be allocated into other vaults not included in the SGE network, and these vaults can only be under the control of the government. It will have been from these vaults that China's sudden increase in monetary gold of 444 tonnes in the first quarter of 2009 was drawn, which explains why the total recorded in SGE vaults was obviously unaffected. So for the purpose of determining the quantity of vaulted gold, scrap and mined gold must be added to the gold recorded in SGE vaults.

Though it is beyond the scope of this analysis, the existence of government vaults not in the SGE network should be noted, and given cumulative mine production over the last thirty years, scrap supply and possibly other purchases of gold from abroad, the bullion stocks in these government vaults are likely to be very substantial.

Western gold flows to China

We are now in a position to estimate Chinese demand and supply factors in a global context. The result is summarised in the table below.

Gold Demand & Supply	2008	2009	2010	2011	2012	2013
Estimated Chinese Demand						
SGE Deliveries	543	599	837	1043	1139	2197
Net Hong Kong Addition		-94	34	176	263	808
Increase in Customer Valuated Gold		63	259	201	96	1058
Valuated Scrap & Mine Supply	320	545	601	761	833	780
Total	863	1112	1732	2181	2331	4843
ROW Demand (WGC figs.)	2639	1979	2556	2678	2359	2760
Global Demand including China	3502	3091	4288	4859	4690	7603
World Supply ex. China						
Non-Chinese Mines	1975	2050	2215	2298	2471	2490
Non-Chinese Scrap	800	1428	1384	1263	1161	1021
ETFs	-321	-617	-268	-185	-279	881
Non-Chinese Central Banks	236	44	-77	-457	-554	-387
Total	2690	2905	3255	2919	2799	4006
Contribution from Global Stocks	812	187	1033	`940	1892	3597
Sources: SGE, Gold Market Reports, HK Trade Statistics, WGC, USGS Minerals Survey						
Note: Values are expressed in Tons.						

Chinese demand before 2013 had arrived at a plateau, admittedly higher than generally realised, before expanding dramatically following last April's price drop. Taking the WGC's figures for the Rest of the World gives us new global demand figures, which throw up a shortfall amounting to 9,461 tonnes since the Lehman crisis, satisfied from existing above-ground stocks. This figure, though shocking to those unaware of these stock flows, could well be conservative, because we have only been able to address SGE deliveries, vaulted gold and Hong Kong net flows. Missing from our calculations is Chinese government purchases in London, demand from the ultra-rich not routed through the SGE, and gold held by Chinese nationals abroad. It is also likely that demand from the Chinese diaspora in SE Asia and Asian is also underestimated by western analysts. There are assumptions in this analysis that should be clear to all. But if it only serves to expose the futility of attempts in western capital markets to manage the gold price, the exercise has been worthwhile. For much of 2013 commentators routinely stated that Asian demand was satisfied from ETF redemptions. But as can be seen, ETF sales totalling 881 tonnes covered only one quarter of the west's shortfall against China, the rest coming mostly from central bank vaults. Anecdotal evidence from Switzerland is that the four major refiners have been working round-the-clock turning LBMA 400 ounce bars into one kilo 9999 bars for China. They are even working with gold bars that are battered and dusty, which suggests the west is not only digging into deep storage to satisfy Chinese demand at current prices, but digging a hole for itself as well.

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This is abridged version. Full article can be viewed at www.bullionbulletin.in

Disclaimer :- Views are personal and not the views of the publisher.

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PRESS BITE

China April Gold Imports Drop on Lower Investment Demand:

China's gold imports from Hong Kong fell in April amid signs that investment demand waned in the world's largest gold consumer. Net imports totalled 65.4 metric tons last month, compared with 80.6 tons in March and 75.9 tons a year ago, according to calculations by Bloomberg News based on data from the Hong Kong Census and Statistics Department yesterday. Exports to Hong Kong from China fell to 15.4 tons in April from 25.3 tons in March, the department said in a separate statement. Mainland China doesn't publish such data.

India's gold demand declines 26% to 190.3 t in Jan-March quarter: WGC:

India's gold demand in India declined by 26 per cent to 190.3 tonnes during the January-March quarter due to higher import duties and supply curbs imposed by the government, the World Gold Council said. In the first quarter (Q1) of 2013, gold demand in the country was 257.5 tonnes, according to the WGC Gold Demand Trends report.

In value terms, gold demand witnessed a fall of 33 per cent to Rs 48,853 crore during the first quarter of 2014 compared with Rs 73,183.6 crore in Q1, 2013. "During Q1, 2014 the demand went down by 26 per cent illustrating the continued impact of higher import duties and supply curbs imposed by the Centre to reduce the current account deficit due to which gold prices were higher in the spot markets," WGC Managing Director-India, Somasundaram PR, told.

Source: Hindu business line.

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RESERVE BANK OF INDIA
Foreign Exchange Department
Central Office
Mumbai - 400 001

RBI/2013-14/600
A.P. (DIR Series) Circular No.133 May 21, 2014

To
All Scheduled Commercial Banks which are Authorized Dealers (ADs) in Foreign Exchange/ All Agencies nominated for import of gold

Madam/ Sir,

Import of Gold by Nominated Banks / Agencies / Entities

Attention of Authorised Persons is drawn to the Reserve Bank's A.P. (DIR Series) Circular No. 25 dated August 14, 2013; and the subsequent circulars, on the captioned subject.

2. The Government of India and Reserve Bank of India has been receiving representations from the jewelers, bullion dealers, AD banks, and trade bodies to rationalise the guidelines for import of gold. Taking into account such representations and in consultation with the Government of India, it has been decided to modify the guidelines for import of Gold by the nominated banks / agencies / entities. These revised guidelines which will come into force with immediate effect are as under:

3. Star Trading Houses / Premier Trading Houses (STH/PTH) which are registered as nominated agencies by the Director General of Foreign Trade (DGFT) may now import gold under 20:80 scheme subject to the following conditions:

a) The STH/PTH should have imported gold prior to the introduction of 20:80 scheme. STH / PTH should get the required verification done by the Department of Customs at any port where they have imported gold consignment in the past.
b) The first lot of gold under this scheme would be based on the highest monthly import during any of the last 24 months prior to the RBI's notification dated August 14, 2013, subject to a maximum of 2000 Kgs.
c) As in the case of other nominated agencies, the eligible quantity may be imported by STH / PTHs from any port, subject to their eligibility limit / maximum quantity allowed to them.
d) For proper compliance, before import, they must submit the import plan, port-wise and quantity-wise, to the concerned Customs office, where the verification of the figures of past performance was done. This information will be sent to all the other ports from which imports are permitted. The overall discipline of exporting 20% of each imported consignment before the next consignment is imported will be equally applicable to such STH/PTH importers.

4. Further, it has been decided to permit the nominated banks, to give Gold Metal Loans (GML) to domestic jewellery manufacturers out of the eligible domestic import quota of 80% to the extent of GML outstanding in their books as on March 31, 2013.

5. A revised working example of the operations of 20:80 scheme envisaged in terms of the revised instructions is given in the Annex.

6. All other instructions will remain unchanged

7. Authorised dealers may please bring the contents of this circular to the notice of their constituents and customers concerned.

8. The directions contained in this circular have been issued under Section 10(4) and Section 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999), and are without prejudice to permissions / approvals, if any, required under any other law.

Yours faithfully,
(C D Srinivasan)
Chief General Manager

Annex

Revised working example of the operations of 20/80 scheme for import of gold*

1. A Nominated Bank / Agency / any other entity, ABC, imports say 100 kg of gold, which shall be routed through custom bonded warehouses only. If considered necessary, the lot can be procured through two invoices – one for exporters (i.e. 20%) and the other one for domestic users (80%).

2. Out of the above import of 100 kg, 20 kg gold held in the bonded warehouse can be got released, in part or full, to be made available to the exporters of gold against an undertaking to Customs Authorities as is the practice now.

3. The balance 80 kg can be sold / lent in part or full to domestic entities engaged in jewellery business / bullion dealers/ banks operating the Gold Deposit Scheme (GDS) and Gold Metal Loan (GML). The sale of imported gold will be against full upfront payment, except in the case of GML, where nominated banks can give GML to domestic jewellery manufacturers to the extent of GML outstanding in their books as on March 31, 2013. In other words, no credit sale of gold in any form will be permitted for domestic use, except for GML. In case, the Nominated Bank itself is operating the Gold Deposit Scheme and extend Gold Metal Loans out of gold mobilized under GDS, the bank will be permitted to use, out of 80 kg, a portion for replenishing gold given as GML.

4. Next lot of import of 100 kg of gold by ABC shall be permitted by the Customs Authorities only after the proof of export (i.e. 20% of the imported lot) is submitted.

5. Import of gold in the third lot onwards will be lesser of the two:

i) Five times the export for which proof has been submitted; or ii) Quantity of gold permitted to a Nominated Agency in the first or second lot.

Note: The same procedure is to be followed by the refineries and by any other entity importing gold in any other form / purity and in the case of import of Gold Dore also.

* First lot of gold import will not exceed 20% of the maximum of the imports done in any of the previous three financial years since the end of the preceding financial year'.

Economic Review

US:
The world's biggest economy US has shrank by 1% in the first quarter of 2014 pertaining to the losses due to the harsh winter weather in some populace states. Though the heavy decline came as a shocker, still market strongly hopes for a rebound from second quarter onwards. The supporting economic indicators like consumer spending data strengthen the hope for the same. The Labor department also shows that the unemployment benefit data fell more than expected in May month for the first time.

Europe:
The Statistical Office of The European Union (Eurostat) on its May 15 release, has mentioned that the 18-nation euro zone expanded by just 0.2% in the first quarter of 2014, much to the disappointment of economists. Germany posted the highest growth of 0.8% this first quarter. Another major country Italy's economy dropped by 0.1% same as the three previous quarters. Spain on the other hand showed a sustained growth with 0.4% gain in Q1 2014.

European economies are expected to further expand their economy this year and would continue through 2015, said the European Commission.

China:
China recently urged the local governments to quicken the budgetary spending to guarantee construction of key projects and strengthen the slowing economy.

Chinese leaders have ruled out the possibility of any big fiscal stimulus to spur economic growth, as they tolerate a gradual slowdown while pushing ahead with structural reforms. Earlier, the governor of China's central bank has stated that the current economic slowdown is relatively manageable for the country.

India:
India's economy continues to grow well below its potential and is likely to stick below 5% this quarter. Now that new government takes over the center, it has to now deal with the supply side issues along with the weaknesses created by the previous government.

Impact on gold:
The uncertainties from world economy front, diminished political tension in Ukraine, firming Dollar, positive US economic indicators data and shrinking physical demand from world's major economies have made the gold market quite volatile now. The market is currently performing in lower side on the account of better performing equity markets as well.

An appreciating domestic currency and the bearish trend overseas has kept the domestic gold price at an affordable range now in India; however the retail sales may take time to pick up as the Indian customers prefer to wait.

■■■

Your Gateway to China's Mining Industry



中国国际黄金大会
CHINA GOLD CONGRESS

China Gold Congress and Expo 2014
The World's Leading Gold and Precious Metals Conference and Exhibition

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中国国际黄金大会
CHINA GOLD CONGRESS

September 10-12, 2014
Beijing International Convention Center
www.china-gold.org

About China Gold Congress and Expo

The China Gold Congress and Expo, the Chinese platform for the global gold industry, welcomes you to China Gold 2014.

China is both one of the largest consumers and producers of gold in the world. Its gold mining industry, which is able to draw upon the country's abundant reserves of gold, plays a critical global role. The main focus for the China Gold Congress is gold mining, along with investment and the global demand for gold but the event also highlights silver, platinum, and other precious metals. China Gold covers the entire mineral value chain. That includes gold mining, smelting and processing, market trend forecasting for gold investment, gold consumer products, particularly jewelry, design and technology. China Gold is committed to rapidly promoting the international cooperation and rapid growth of the Chinese gold industry. Our long-term aim is to help build China into one of the world's gold industry powerhouses. The China Gold Congress and Expo consists of three parts: The Summit Conference, An Exhibition, and Featured Events.

Conference

- Opening Ceremony and Keynote Forum
- Summit Forum of Gold Industry Development
- Gold Mining

Session 1-1: Gold Mining Equipment and Technology Innovation
Session 1-2: Gold Mining Exploration / Cost Cutting - How to be profitable
Session 1-3: Gold Mining Investment Opportunity

- Gold Market Investment

Session 2-1: Gold Mining Finance and Capital Markets / China Outbound Mining Investment in Gold
Session 2-2: Gold Market Investment - Current Market / Gold Market Investment - Futures Market
Session 2-3: Investment Banks Roundtable Discussion / Gold Price and Market Outlook

- Gold Consumption & Jewellry

Session 3-1: New Utilization of Gold in Industry Functions / Top Chinese Gold Jewellery Brands
Session 3-2: Diversification of China's Gold Jewellery Market and Business Model Innovation
Session 3-3: Global Gold Jewellery Trends

Exhibition

- Gold Mining Area
- Gold Investment Area
- Gold Jewelry Area
- Integrated Services Area
- Technology and Equipment Area

Featured Events

- Gold Culture Tour / Gold Minesite Visit
- "Gold Investment" Lecture Hall
- Gold Jewelry Fashion Trends Release
- "Gold Night" Gala Dinner

China Gold Highlights

- All About The Gold, the comprehensively integrated gold industry value chain.
- Analysis of industry trends and hot spots.
- Broad participation of the top 10 Gold-producing countries.
- Display and interaction of the world's top 50 gold producers.
- Analysis of causes underlying gold price fluctuations from a global perspective.
- Chinese factors leading the development of the gold industry.
- Authoritative interpretation of gold as a commodity, as well as its investment and monetary attributes.
- Comprehensive review of gold investment and gold consumer trends.

CHINA 中国国际 矿业投资大会 exploration exchange

October 24-25, 2014
Beijing International Convention Center
www.exploration-exchange.cn

About Exploration Exchange China

Exploration Exchange China 2014, China's premier outbound mining investment conference and exhibition, which will be staged on October 24-25 at the Beijing International Convention Center (BICC).

Whether you're looking to raise capital for a mining project, discover the next big mining investment opportunity or create new business contacts with more than 1,000 attendees from China and overseas, Exploration Exchange China will provide unique opportunities. Now in its third year, the event incorporates unrivalled conference sessions, a major exhibition and project matching services. Endorsed by China Ministry of Commerce, organized by CCCMC, this unique event will act as a bridge between China's Government and mining companies, with high-ranking officials from the Chinese Ministry of Commerce, the National Development and Reform Commission, the Ministry of Land and Resources, as well as representatives from major mining concerns, financing service providers, and consulting firms. China Outbound Mining Corporate Social Responsibilities Guidelines will be launched at the conference which will provide a roadmap for outbound investment and cooperation within China's mining industry. Exploration Exchange China will also attract mining projects from the major global mining firms outside China. That, in turn, will provide the best investment opportunities for both individual investors and organizations.

Conference

- Opening Ceremony and Keynote Forum
- China Mining Outbound Investment Forum
- Mining Financing & Capital Market
- Venture Exploration Capital Market in China
- Commodities Investment Sessions
- Mineral Trading Session

Trade Show

- Mining Rights Trading Area

The Mining Rights Trading Area will feature mining projects for potential investment.

- Investment Service Area

The Investment Service Area will exhibit services providers for mining financing and M&A services, such as financial institutions, investment banks and organizations, commodities future exchanges, and mining funds and securities.

- General Mining Service Area

The General Mining Service Area is devoted to mining authorities and associations, along with evaluation and consulting and technology and equipment services providers.

Why Exploration Exchange China?

- The premier outbound mining investment fair focusing on the capital and projects with direct and efficient way of mining investment other than bloated events.
- Exploration Exchange is free of charge for pre-registered investors.
- MofCom is the organization in charge of inbound and outbound investment. Together with other government organizations, MofCom is promoting the outbound investment especially in mining and resources sector.
- CCCMC has more than 7000 member companies, which are large scale trading companies including Minmetals, Chinalco, Sino Steel, Jiangxi Cooper, Jinchua Group, Zhongjin Lingnan, MCC, CITIC, Capital Steel.
- Beijing is the Capital of government, Capital of fund, Capital of company headquarters, Capital of brokers, Capital of third-party services providers, and Capital of capitals. To attend the event in Beijing is not only for the event itself, but enjoys all the surrounding facilities that Exploration Exchange provides.
- Competitive package prices. Exploration Exchange China provides competitive package price with USD700 for full delegate passes and USD3000 for one 6 sqm booth with two delegate passes.
- E-Exhibition. Exploration Exchange China provides additional E-exhibition online. All the confirmed exhibitors can upload their project information or company introduction online.
- Investor one to one meeting. Exploration Exchange China arranges Investors one to one meeting during the event.

Annexure:

US- Economic Indicators

Sl. No.	Indicators	May	Actual	Forecast	April	Actual	Forecast
1	ISM Manufacturing PMI	May 01	54.9	54.3	April 01	53.7	54.2
2	ISM Non-Manufacturing PMI	May 05	55.2	54.3	April 03	53.1	53.5
3	Trade Balance	May 06	-40.4B	-40.1B	April 03	-42.3B	-38.3B
4	Non-Farm Employment Change	May 02	288K	216K	April 04	192K	199K
5	Unemployment Rate	May 02	6.3%	6.6%	April 04	6.7%	6.6%
6	JOLTS Job Openings	May 09	4.01M	4.21M	April 08	4.17M	3.99M
7	Prelim UoM Consumer Sentiment	May 16	81.8	84.7	April 11	82.6	81.2
8	PPI m/m	May 14	0.6%	0.2%	April 11	0.5%	0.1%
9	Core Retail Sales m/m	May 13	0.0%	0.6%	April 14	0.7%	0.5%
10	Retail Sales m/m	May 13	0.1%	0.5%	April 14	1.1%	0.8%
11	Core CPI m/m	May 15	0.2%	0.1%	April 15	0.2%	0.1%
12	Building Permits	May 16	1.08M	1.01M	April 16	0.99M	1.00M
13	Philly Fed Manufacturing Index	May 15	15.4	13.9	April 17	16.6	9.6
14	Existing Home Sales	May 22	4.65M	4.71M	April 22	4.59M	4.57M
15	New Home Sales	May 23	433K	426K	April 23	384K	455K
16	Core Durable Goods Orders m/m	May 27	0.1%	0.2%	April 24	2.0%	0.6%
17	CB Consumer Confidence	May 27	83.0	83.2	April29	82.3	82.9
18	Prelim GDP q/q	May 29	-1.0%	-0.6%	Feb 28	2.4%	2.6%
19	Pending Home Sales m/m	May 29	0.4%	1.1%	April28	3.4%	1.0%

EURO Zone- Economic Indicators

Sl. No.	Indicators	May	Actual	Forecast	April	Actual	Forecast
1	Minimum Bid Rate	May 08	0.25%	0.25%	April 03	0.25%	0.25%
2	German ZEW Economic Sentiment	May 13	33.1	41.3	April 15	43.2	46.3
3	German Prelim GDP q/q	May 15	0.8%	0.7%	Feb 14	0.4%	0.3%
4	French Flash Manufacturing PMI	May 22	49.3	51.1	April 23	50.9	51.9
5	German Flash Manufacturing PMI	May 22	52.9	54.0	April 23	54.2	53.9
6	German Ifo Business Climate	May 23	110.4	111.0	April 24	111.2	110.5

China- Economic Indicators

Sl. No.	Indicators	May	Actual	Forecast	April	Actual	Forecast
1	HSBC Final Manufacturing PMI	May 04	48.1	48.4	Mar 02	48.5	48.5
2	Trade Balance	May 07	18.5B	15.2B	April 09	7.7B	-0.9B
3	CPI y/y	May 08	1.8%	1.2%	April 10	2.4%	2.5%
4	Industrial Production y/y	May 13	8.7%	8.9%	April 15	8.8%	9.1%
5	HSBC Flash Manufacturing PMI	May 21	49.7	48.4	April 22	48.3	48.4

India- Economic Indicators

Sl. No.	Indicators	May	Actual	Forecast	April	Actual	Forecast
1	HSBC Markit Manufacturing PMI	May 02	51.30	-	April 01	51.30	-
2	Indian HSBC Services PMI	May 06	48.50		April 03	47.5	-
3	Indian Industrial Production (YoY)	May 12	-0.5%	-1.5%	April 11	-1.9%	0.9%
4	Indian Trade Balance	May 09	-10.01B	-16.20B	April 11	-10.51B	-5.90B
5	Indian CPI (YoY)	May 12	8.59%	8.48%	April 15	8.31%	8.19%
6	Indian WPI (YoY)	May 15	5.20%	5.73%	April 15	5.70%	5.30%

(Note:  indicates –ve sentiment &  indicates +ve sentiment)



European central banks renew gold agreement: ECB:

A group of 21 European central banks said they have no plans to sell "significant" amounts of gold over the next five years. In a joint statement, the central banks of the 18 euro zone nations, the European Central Bank and the central banks of Switzerland and Sweden said: "Gold remains an important element of global monetary reserves."

"The signatories will continue to coordinate their gold transactions so as to avoid market disturbances," the central banks added. "The signatories note that, currently, they do not have any plans to sell significant amounts of gold," the statement said.

Source: http://www.rte.ie/news



RBI eases gold import norms:

The Reserve Bank of India has allowed "star trading houses" and private jewellery exporters, which had been barred from importing gold since July 2013, to resume imports, with immediate effect. In a statement the central bank said import of the first lot of gold by trading houses under the so called "80:20 scheme" would be based on the highest monthly import during any of the last 24 months before import restrictions were imposed in August 2013. However, the import quantity has been capped at 2,000 kg.

Also, under the modified guidelines for import of gold, the RBI said the star/premier trading houses should have imported gold prior to the introduction of the 20:80 scheme.

Source: Hindu business line.



Shanghai Gold set for launch in FTZ:

The Shanghai Gold Exchange will launch Shanghai Gold this year and its international trading board in the city's pilot free trade zone. The People's Bank of China has approved the international trading board for the Shanghai exchange in the FTZ, which will adopt Shanghai Gold — a spot gold trading mechanism similar to the Loco London Gold, Xu Luode, secretary-general of the bourse, told a forum in Shanghai.

London Gold refers to physical bullion held in London as well as the price quoted for spot delivery for bullion trading and settlement. The Shanghai Gold is a new international pricing mechanism to boost the city's position as an international financial center, Xu added.

Source: http://www.shanghaidaily.com/



India's silver bar imports plunge 74%:

The latest statistics released by the Gems and Jewellery Export Promotion Council (GJEPC) suggests huge drop in the country's Silver bar imports during the month of March 2014. The country's Silver bar imports plunged by 74.21% during the month of March 2014 upon comparison with the imports during the same month last year. This is in accordance with the raw material import details published by Council for the month of March 2014.

Source: http://www.resourceinvestor.com/



Russian Palladium Flows to Switzerland Jump on Sanction Concerns:

Russia's palladium exports to Switzerland climbed to an 11-month high in April, a month after the biggest supplier of the metal annexed Crimea in a standoff that sparked warnings of tougher sanctions from western nations. Switzerland imported 2,158 kilograms (2.2 metric tons) of palladium from Russia in April, the most since May 2013, data sent today by the Swiss Federal Customs Administration show. That compares with 201 kilograms in March. Increased exports from Russia may continue, according to John Meyer, an analyst at SP Angel Corporate Finance LLP in London.

Source: Bloomberg

Australian Gold Output Off To A Weak Start:

Gold production in goldfields region of Western Australia (WA) has got off to a weak start for the year, with wet weather wreaking havoc at several mines. Output dropped seven per cent to 68 tons between the March and December quarters as intense storm systems dumped rain on large areas of the state, the Australian Associated Press (APP) says, citing a report from Melbourne-based gold mining consultants Surbiton Associates.

On an annual basis, the amount of gold produced was up eight per cent.

Source: BERNAMA

द मैन इन मिशन

श्री राजेश खोसला, मैनेजिंग डायरेक्टर, एमएमटीसी पैम्प इन्डिया प्रा. लि.

आपने इतने कम समय मे ही इतनी सफलता कैसे अर्जित की है?

एलबीएमए गुड डिलीवरी की मान्यता अब अंतर्राष्ट्रीय स्तर पर स्वीकृत क्वालिटी मानक बन चुकी है, जो इस बात की गारंटी प्रदान करता है कि इसके अंतर्गत निर्मित बार एलबीएमए गुड डिलीवरी लिस्ट के कड़े दिशा–निर्देशों के अनुपालन से गुजरा है। गुड डिलीवरी बार नियम गोल्ड व सिल्वर के लिये है जिनमे इनकी शुद्धता, वजन, आकार, दिखावट, चिन्ह तथा इनके निर्माण की जरुरतें शामिल होती है। यह बारों के वजन, पैकिंग तथा डिलीवरी की प्रक्रिया तय करता है।

एमएमटीसी–पैम्प को विश्व प्रसिद्ध सर्टिफिकेशन संस्था, क्यूएस ज्युरिच एजी, द्वारा लृदट 9001, लृदट 14001 तथा टक्नृदअद 18001 का सर्टिफिकेट प्रदान किये जाने के कुछ समय बाद ही हमारी कंपनी ने एक बार फिर से अपने उच्च गुणवत्ता के गोल्ड व सिल्वर बार का प्रदर्शन किया है।

हमारे पार्टनर की अंतर्राष्ट्रीय बाजार मे प्रतिष्ठा तथा हमारे उत्पाद की असाधारण क्वालिटी के कारण हमे अपने उत्पादन की शुरुवात के 24 महीनों के भीतर ही यह मान्यता प्राप्त हो गयी। यह लंदन बाजार के इतिहास मे सबसे कम समय मे किसी रिफायनरी को दी गयी मान्यता है।

यह एक महत्वपूर्ण सफलता है और भारत के लिहाज से अनूठी उपलब्धि है; इससे यह प्रदर्शित होता है कि राष्ट्रीय स्तर पर विश्वभर मे किसी भी क्षेत्र मे मुकाबला करने के लिये हमारे पास पर्याप्त साधन तथा योग्यता मौजूद है।

गोल्ड व सिल्वर दोनो मे गुड डिलीवरी की मान्यता मिलने के बाद, अब आप अपने इन उत्पादों को घरेलु तथा विदेशी बाजारों मे किस तरह मार्केटिंग करने की सोच रहे है?

हमने प्राथमिक रुप से घरेलु बाजार मे गोल्ड की जरुरत को पूरा करने की दिशा मे कार्य कर रहें है। निर्यात के लिये हमे एग्जिम नीति के अंतर्गत चुनौतीपूर्ण प्रावधान "वैल्यु एड" का अनुपालन करना होगा जो कि बुलियन तथा ८ ग्राम तक सिक्के के लिहाज से लगभग असंभव है। घरेलु बाजार मे, हमारा राष्ट्रीय स्तर पर डिस्ट्रिब्युशन नेटवर्क मौजूद है तथा हमे मान्यता प्राप्त होने से पहले भी हमारे बार भारतीय बाजार मे स्वीकार किये जाते रहे है। इस मान्यता से हमारी रिफायनी क्षमता और मजबूत हुयी है, तथा यह बैंको व नियामकों को शीघ्र ही जमा या घरों मे रखे गोल्ड को बाहर लाने जैसी योजना को अमल मे लाने को प्रोत्साहित करेगा क्योंकि चालु खाता घाटा को लांग टर्म मे कम करने का यही प्रभावी विकल्प है।

क्या आप मुख्य रुप से "डोरे" की रिफायनिंग पर ही अपना ध्यान केन्द्रित करेंगे या स्क्रैप के बारे भी आप विचार कर रहें है?

हमारी अंतर्राष्ट्रीय स्तर की मान्यता बैंकों तथा स्थानीय ज्वैलरों को रिफायनिंग के लिये स्क्रैप सप्लाइ करने मे सहजता प्रदान कर सकती है। हम पारदर्शिता तथा विश्वास के साथ उद्योग को एन्ड टू एन्ड समाधान तत्काल सेवा के रुप मे प्रदान करते है।

लंदन बुलियन मार्केट एसोसिएशन
शुक्रवार, 16 मई 2014
प्रेस विज्ञप्ति
एमएमटीसी–पैम्प इन्डिया प्रा. लिमि, एलबीएमए की गुड डिलीवरी लिस्ट मे शामिल

भारत मे बहुमूल्य धातुओं की रिफायनिंग करने वाली संस्था एमएमटीसी–पैम्प इन्डिया प्रा. लि. (एमएमटीसी–पैम्प) को एलबीएमए के गुड डिलीवरी लिस्ट मे गोल्ड के लिये शामिल कर लिया गया है, यह 16 मई 2014 से प्रभावी है।

एमएमटीसी–पैम्प ने एलबीएमए को स्वामित्व, इतिहास, उत्पादन क्षमता तथा वित्तीय स्थिति से संतुष्ट किया है। साथ इसने एलबीएमए की गहन तथा विस्तृत टेस्टिंग प्रक्रिया भी पार कर ली है, जिसके अंतर्गत गोल्ड बार का परीक्षण तथा जांच स्वतंत्र संस्थाओं द्वारा किया तथा इनके स्वयं की जांच क्षमता का भी आंकलन किया गया।

एमएमटीसी–पैम्प हरियाणा प्रदेश के मेवात नामक स्थान पर स्थित है। इनके द्वारा रिफायनिंग का प्रायमरी फीडस्टॉक "डोरे" है जो कि विभिन्न देशों के माइनों से प्राप्त किया जाता है साथ ही ये स्क्रैप का भी उपयोग करते है। एमएमटीसी–पैम्प के द्वारा रिफायन किये गये गोल्ड उत्पाद मुख्यतः 100 ग्राम बार, किलो बार, बड़े बार तथा गोल्ड ग्रेन शामिल है।

■■■

रिसायकल बाजार द्वारा आटोकेटलिस्ट क्षेत्र की 50% मांग की आपूर्ति

जॉन फेयरली, वॉलेस ट्रेडिंग लिमि., ने डीपीएमसी– 2014 के दौरान बुलियन बुलेटिन के साथ रिसायकल्ड पीजीएम की सप्लाइ व महत्व, प्लेटिनम ईटीएफ तथा दक्षिण अफ्रीका मे प्लेटिनम उत्पादन से संबंधित मुद्दों पर बातचीत की। सारांश..

रिसायकल पीजीएम का वर्तमान बाजार परिदृश्य कैसा है?

सेकंडरी क्षेत्र के लिहाज से, रिसायकल योग्य प्लेटिनम ग्रुप की धातुओं मे, हम मुख्य रुप से पुरानी कारों से प्राप्त केटलिस की रिसायकलिंग के बारे मे बात करते है। औसतन एक कार का जीवन काल 10-12 सालों का माना जाता है। इसलिये अभी के समय मे मिलने वाले सेकंडरी मेटल्स की मात्रा का अनुमान लगाने के लिये हमे 12-14 साल पहले की स्थिति की समीक्षा करनी होगी। आने वाले 2-3 सालों मे हम देखेंगे कि आटोकेटलिस्ट की मांग का लगभग 50% इसी रिसायकल क्षेत्र से पूरा किया जा सकेगा जो कि एक बड़ा हिस्सा है। अभी रिसायकल बाजार का सामर्थ्य या एफिसिएन्सी केवल 70% है।

अगर हम प्लेटिनम व पैलेडियम के आटोकेटलिस रिसायकल बाजार की बात करें, तो आने वाले दस सालों मे, आपके अनुसार, किस धातु की बाजार मे ज्यादा मांग रहेगी?

कुछ सालों के दौरान से पैलिडियम का उपयोग प्लेटिनम की अपेक्षा ज्यादा तेजी से हो रहा है क्योंकि यह गैसोलाइन इंजिन के लिये बेहतर है तथा इसके अलावा यह प्लेटिनम की अपेक्षा सस्ता (लगभग आधी कीमत का) भी है। इसलिये मुझे लगता है कि यह रुख आगे भी जारी रहेगा; पैलेडियम की हिस्सेदारी काफी तेजी से फैलेगी लेकिन इसके साथ ही साथ प्लेटिनम व रोडियम की मांग भी बढ़त पर रहेगी क्योंकि इनका उपयोग डीजल इंजिनो के लिये किया जाता है। साथ ही एमिशन मानकों या स्टैंडर्ड इतनी तेजी से बढ़ रहे है कि सभी मेटलों की मांग अपने आप ही तेजी से फैलने लगेगी क्योंकि ज्यादा से ज्यादा कार बाजार इन स्टैंडर्ड को अपनाना चाहेंगे।

दक्षिण अफ्रीका जो कि प्लेटिनम का सबसे बड़ा उत्पादक देश है, वर्तमान मे कई समस्याओं से जूझ रहा है। और यदि यह जारी रही, तो इसका बाजार पर क्या प्रभाव रहेगा?

शार्ट टर्म के लिहाज से यदि दक्षिण अफ्रीका मे लेबर की समस्या का समाधान नही किया गया तो इसका बाजार पर खासा प्रभाव देखने को मिलेगा। जल्द ही, लगभग सभी उत्पादकों के पास रखा जमा स्टॉक खत्म हो जायेगा। फिर, इन्हे या तो बाजार से मेटल खरीदना पड़ेगा या "फोर्स मजुरे" या अप्रत्याशित घटना जैसी स्थिति लानी पड़ेगी जो कि शार्ट टर्म के दौरान गंभीर सप्लाइ समस्या तथा भाव मे तेजी का वातावरण निर्मित करेगा।

रिसायकल बाजार से वास्तव मे किसी प्रकार का कोई शार्टेज नही है लेकिन, प्रायमरी उत्पादन के लिहाज से भारी कमी की संभावना है तथा ये बाजार से ईटीएफ के माध्यम से बाहर जा सकती है।

दक्षिण अफ्रीका मे लांच प्लेटिनम ईटीएफ के बारे मे आपका क्या विचार है?

अमेरिका तथा उत्तरी यूरोप मे पहले से ही प्लेटिनम के ईटीएफ मौजूद है, लेकिन हाल मे दक्षिण अफ्रीका मे लाये गये नये ईटीएफ के अंतर्गत 900,000 आउंस प्लेटिनम संरक्षण मे रखा गया है। दक्षिण अफ्रीका मे दो नये ईटीएफ की शुरुवात की गयी है जिसमे से एक अब्सा केपिटल तथा दूसरा स्टैंडर्ड बैंक द्वारा जारी किया गया है। मेरी जानकारी अनुसार, पहले सप्ताह मे लगभग 80,000 आउंस पैलिडियम इन ईटीएफ के द्वारा खरीदा जा चुका है। संभवतया यह लिक्विडिटी के लिहाज से बड़ा ड्रेन साबित हो सकता है।

क्या आटोकेटलिस उद्योग से 70% रिकवरी संभव है?

यह एक कन्जर्वेटिव अनुमान है। जब मै सामर्थ्य की बात कर रहां हूं, तो मेरा मतलब मेटल की कुल मात्रा की रिकवरी से है। मैने जिन रिफायनर तथा संग्रहकर्ताओं से अमेरिका व यूरोप मे बात की है उनके अनुसार 80% रिकवरी संभव हो सकती है।

अगर हम सबकुछ इसी के अनुसार देखें, तो क्या आने वाले सालों में प्लेटिनम की कीमत अलग कारकों द्वारा निर्धारित होगी बजाय गोल्ड के भाव की दिशा मे?

अगर हम इसके इतिहास की बात करें, तो प्लेटिनम कई समय मे गोल्ड की भाव व फंडामेन्टल दिशा अनुसार नही चलती है। अभी कुछ सालों से प्लेटिनम गोल्ड के भाव की दिशा अनुसार चल रही है, लेकिन मुझे ऐसा लगता है कि हम अब ऐसे समय मे प्रवेश कर रहें है जहां प्लेटिनम का फंडामेन्टल ज्याद भाव परक होगा बजाय गोल्ड के भाव की दिशा से निर्धारित होने से।

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Bullion - Data & Statistics

Gold Spot Market, International (Per Troy Ounce)			
Spot gold	01st May	30th May	% Change
Australia(AUD)	1383.54	1343.85	-2.91
Britain(GBP)	759.48	746.48	-1.73
Canada(CAD)	1407.21	1356.52	-3.67
Europe(Euro)	925.19	917.48	-0.84
Japan(Yen)	131253.30	127326.80	-3.04
Switzerland(CHF)	1128.48	1119.33	-0.81
USA(USD)	1284.00	1250.50	-2.64

Silver Spot Market, International (Per Troy Ounce)			
Spot Silver	01st May	30th May	% Change
Australia(AUD)	20.51	20.20	-1.53
Britain(GBP)	11.25	11.21	-0.35
Canada(CAD)	20.86	20.39	-2.29
Europe(Euro)	13.71	13.78	0.54
Japan(Yen)	1947.90	1911.80	-1.87
Switzerland(CHF)	16.72	16.82	0.56
USA(USD)	19.03	18.78	-1.33

Monthly Exchange Data (Gold) (From May 01-30)						
Exchange	Commodity	Open	High	Low	Close	% Ch.
MCX	Gold Aug'14	28029.00	28410.00	25602.00	25881.00	-8.71
NCDEX New	Gold Aug'14	27940.00	28347.00	25847.00	25899.00	-8.53
COMEX	Gold Aug'14	1292.10	1315.70	1242.20	1246.00	-3.93
TOCOM	Gold June'14	4249.00	4285.00	4091.00	4109.00	-3.40

1- Rs/10 gms, 2- $/oz, 3- Jpy/gm

Fortnightly Exchange Data (Silver) (From May 01-30)						
Exchange	Commodity	Open	High	Low	Close	% Ch.
MCX	Silver July'14	41976.00	42945.00	39517.00	39586.00	-6.05
NCDEX	Silver July'14	41566.00	42596.00	40199.00	40398.00	-3.85
COMEX	Silver July'14	19.19	20.01	18.62	18.68	-2.60
TOCOM	Silver June'14	63.20	64.60	61.80	61.80	-3.03

1- Rs/kg, 2- $/oz, 3- Jpy 0.1/gm

Gold Spot Market, India			Rs/10gm
Spot Gold	01st May	30th May	% chg
Delhi	30390.00	27500	-9.99
Mumbai	30150.00	27425.00	-9.47
Bangalore	30409.00	25690.00	-16.86
Chennai	30050.00	27950.00	-7.24
Kolkata	30050.00	27590.00	-8.54
Hyderabad	30410.00	27090.00	-11.56
Ahmedabad	29838.00	26893.00	-10.39

Currency Change (Monthly)		
	01st May	30th May
EUR/USD	1.3870	1.3634
USD/JPY	102.28	101.77
USD/INR	60.325	59.11
USD/AUD	1.078	1.0737
USD/GBP	1.6894	1.6753

Silver Spot Market, India			Rs/kg
Spot Silver	01st May	30th May	% chg
Mumbai	43400.00	41200.00	-5.20

GOLD Forward Offer Rate (GOFO)		
	01st May	30th May
1m	-0.08000	0.05800
2 m	-005400	0.06400
3 m	-0.03400	0.07400
6 m	0.00200	0.09800
1 y	0.05600	0.12800

GOLD LEASE RATE		
	01st May	23rd May
1m	0.23050	0.13800
2 m	0.24300	0.17500
3 m	0.25685	0.19935
6 m	0.32000	0.26390
1 y	0.49150	0.43540

Bullion - Data & Statistics

LONDON FIXING (Per Troy Ounce)										
	GOLD AM			GOLD PM					SILVER PM	
DATE	USDAM	GBP	EUR	USDPM	GBPPM	EURPM	DATE	USD	GBP	EUR
05/01/2014	1283.00	1278.50	759.04	757.18	924.15	921.77	05/01/2014	19.06	11.28	13.74
05/02/2014	1285.00	1281.25	761.03	760.97	927.26	927.10	05/02/2014	19.17	11.37	13.83
05/06/2014	1308.50	1306.25	772.20	768.79	939.61	937.39	05/06/2014	19.64	11.57	14.09
05/07/2014	1311.00	1296.00	772.54	764.11	942.08	931.17	05/07/2014	19.64	11.58	14.10
05/08/2014	1291.25	1287.00	761.13	758.71	926.03	928.44	05/08/2014	19.25	11.34	13.80
05/09/2014	1289.00	1291.25	762.54	765.78	933.25	936.64	05/09/2014	19.25	11.40	13.95
05/12/2014	1292.75	1298.75	765.08	768.95	938.95	943.38	05/12/2014	19.46	11.52	14.15
05/13/2014	1292.75	1296.50	766.67	769.67	939.91	944.49	05/13/2014	19.44	11.55	14.18
05/14/2014	1300.25	1305.25	775.20	777.86	948.33	951.90	05/14/2014	19.87	11.85	14.50
05/15/2014	1303.75	1299.00	777.85	774.14	953.73	949.98	05/15/2014	19.66	11.73	14.39
05/16/2014	1293.75	1291.50	769.72	767.15	943.17	941.94	05/16/2014	19.33	11.51	14.11
05/19/2014	1301.00	1302.00	773.85	773.62	948.67	949.26	05/19/2014	19.55	11.62	14.25
05/20/2014	1291.50	1295.50	767.56	769.44	943.46	945.55	05/20/2014	19.37	11.51	14.14
05/21/2014	1292.00	1287.25	764.81	762.50	942.65	942.28	05/21/2014	19.31	11.43	14.12
05/22/2014	1294.50	1298.50	767.02	769.94	945.93	950.73	05/22/2014	19.56	11.60	14.30
05/23/2014	1292.00	1291.50	767.18	767.02	948.61	947.40	05/23/2014	19.42	11.53	14.26
05/27/2014	1283.00	1275.50	762.87	758.50	940.48	935.32	05/27/2014	19.25	11.44	14.11
05/28/2014	1265.25	1263.50	754.52	756.13	928.83	929.04	05/28/2014	19.13	11.41	14.04
05/29/2014	1254.00	1255.00	749.82	750.82	921.04	922.79	05/29/2014	18.85	11.27	13.84
05/30/2014	1254.00	1250.50	749.33	746.75	921.04	918.27	05/30/2014	19.00	11.35	13.96

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