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Volume 6 • Issue 12 • December 2016

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Printed, Edited & Published and owned by G. Srivatsava, published from No.146, 1st Floor, Gopal Towers, Ramaiah Street, HAL Airport Road, Kodihalli, Bangalore - 560 008, Printed at Hamsanikethan Printers, No. 126, CT Bed, Banashankari 2nd Stage, Bangalore - 560070.

Dear Readers,

PM Shri Narendra Modi's 8pm announcement on November 8, 2016 of demonetizing 500 and 1000 rupees at four-hour notice came as a bolt from the blue. The 2000 + crore high denomination notes, valued at 14.8 lakh crores, account for 85% of total money in circulation. Sucking them out of the system is no mean task, especially in a country where 'cash is king'. PM strongly believes that Demonetization will curb black money, stop funding to terrorism or other anti-national activities and stop fake currencies in circulation. The intentions are noble. The execution did suffer some teething problem, but one could expect such things in an exercise of such enormity. RBI and banks are doing their best to ensure cash at banks and ATMs. The common man is patient and extending full support so far. RBI has so far collected over 8.5 lakh crore rupees of old 500 and 1000 notes. While there is no bar on depositing 500 and 1000 rupee notes into own accounts in banks, restriction is placed on withdrawing money from both bank and ATMs. Informal sectors in the country, which are totally dependent on cash for any kind of trade, got affected temporarily. PM has appealed to the people of India to maintain calm for 50 days. If tendency to hoard is prevented, then by December end, flow of cash would smoothen out.

Coming to gold and jewellery trade, about 60-70% of the demand for jewellery comes from rural areas, where cash is the only mode of payment. The rural sector is still highly unbanked; only recently 26 crore accounts have been opened under Pradhan Mantri Jan Dhan Yojana. In rural areas, jewellery is bought mainly for wedding purpose, and then for festival and other social functions. As per the survey, maximum gold sold in India is during marriage season. One has to wait and watch as to how demand pans out for gold and jewellery in the coming three to four months.

The popular fiction in some intellectual circle that black money is kept in gold is not fully correct. Unfortunately, this is partly due to legacy of the past. Government has taken cognizance of this and has given a clear guideline that no question will be asked to people having gold from legitimate sources. Of course, some portion of black money is kept in gold, but that emanates from corruption. I hope demonetization will seal that route.

GJEPC said that India's gold jewellery exports rose 19% y-o-y to \$796.60 million in October 2016. Commerce Ministry confirmed total gems and jewellery export rose by 22 percent to \$4.38 billion. It is good to see commerce and industry minister Smt. Nirmala Sitharaman is pitching for 'restriction free' import of gold to help the sector. She has assured the industry of taking this view to finance ministry. Gems and jewellery sector accounts for 13% of total exports. We believe that progressive policies would push exports of Indian gems and jewellery in the global market. Higher export earnings will contribute favourably to Balance of Payment, an important factor that often comes out whenever there is rise in gold import.

Government in a recent notification has exempted excise duty on branded gold coin of 995 fineness and above purity manufactured from customs or excise paid gold. This is welcome move to promote domestic refiners who manufacture gold coins as per the stated guideline. Government this time has distinguished 'brand' name and 'house mark' so that no confusion whatsoever arises.

Debajit Saha
Editor



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De-monetization and Gold

Prof. Arvind Sahay, Head IGPC, IIM Ahmedabad



We are now going through the largest economic experiment in history.

1.3 billion Indians are suddenly dealing with a situation where 86% of the currency was withdrawn with a 4 hour notice; in a country where a preponderant majority of transactions are in cash. Analysts suggest that three reasons are driving this policy – checking fake currency used in terrorist financing, flushing out “black money,” and bringing more people into the tax net.

In this article, we examine the implications of demonetization on the gold sector.

We are aware that over the two years to November 2016, the government had made PAN compulsory for transactions over Rs. 2 lakhs and had put a 1% excise duty

In the very near term, people are now scared of buying gold.

In neuro-physiological terms, the amygdala has gone into overdrive and the fear of an IT raid is very prominent amongst buyers and sellers. Even legitimate buyers are postponing purchases as they wait to see further events unfolding in the demonetization scheme. Therefore, in the short term, my estimate is that official gold sales will go down.

on sales by jewelers.

The gold industry has always been somewhat bimodal in terms of cash transactions. At the retail end, the transactions have been primarily in cash. At the banks, bullion dealers and nominated agencies have a fairly large proportion of their transactions that are happening in non-cash means.

The immediate impact of the demonetization, of course, was a rush by people to buy gold with reportedly many jewelers having a spike in sales on the evening of November 8 and the early morning of November 9.

But what is going to be the 3 month impact and the 6 month impact and the 12 month impact? And beyond.

In the very near term, people are now scared of buying gold. In neuro-physiological terms, the amygdala has gone into overdrive and the fear of an IT raid is very prominent amongst buyers and sellers. Even legitimate buyers are postponing purchases as they wait to see further events unfolding in the

demonetization scheme. Therefore, in the short term, my estimate is that official gold sales will go down. As of the writing of this article, about 11 lakh crore of the estimated 14 lakh crore of the Rs. 500 and Rs. 1000 rupee notes had been exchanged or deposited leaving another 3 lakh crores still to come in. If original estimates of the “black money” are true then we should not have much more being deposited. If it is then all the money has been laundered.

And can now be used to buy gold if required.

The key is how people evaluate the further intentions of the government. Some grapevines suggest that many stakeholders in the system that are sitting on “black money” now are getting the feeling that this drive against black money is going to continue; that this government is serious. And they are waiting to see further announcements.

On the assumption that the drive will continue in other forms (donations to political parties; GST; excise on jewelers continuing in some form in

GST), the avenues for the use of cash in buying gold will decrease. At least in the near term which would lead to a decrease in official purchases of gold in the near term.

Over a six month period, a lot will depend on the effect of demonetization on the Rabi crop. Rural demand is estimated to constitute about 40% of total demand. If the Rabi crop is adversely affected and farmers do not have surpluses to invest in gold which they have been since time immemorial, then the demand for gold from the rural sector will also take a dip.

Over a longer term (>12 months), it is possible that gold demand recovers – provided that citizens have made the transition to a lower cash transaction based gold purchases and people have, even if grudgingly, bought into the idea that they will be in the tax net. It would probably be quite important for the government to stick to the Income Tax notification of 1994 that allows 500 grams of gold for married women, 250 grams of gold for unmarried daughters and 100 grams of gold for men – without questions. Otherwise, further uncertainty in the gold policy would lead to decline in the purchase of gold over the next 12-24 month period as well.

Crucial in this area would be the tax policy on gold that is put into effect – that the government has been signaling is in the offing. A tax policy that reduces customs duty and makes the overall tax burden on the Indian buyer in sync with global prices should lead to a more predictable consumption level of gold.

In fact, if there is one thing that will influence the purchase of gold even more than de-monetization, it is the predictability and consistency of the tax policy on gold. Any business, leave alone that of gold, does not like uncertainty of policy because that makes decision making difficult and planning for the business next to impossible.

A second order effect of demonetization that would need further examination is the inventory holding capacity of retailers in the absence of cash transaction. Will the inventory turanarounds decrease from the already low levels of 2-3 a year for most jewelers? If so, there may be further reduction in gold consumption. On the other hand, if the inventory turns in the retail space increases, then we could see an increase. However, this requires a change in the behavior of consumers from buying in cash to buying through cashless means – which may not happen in the short term without consistency in purpose and action from the government in going after black money.

One effect that is quite likely is that many small gold retailers may go out of business without some fairly quick change in their modus operandi. To being able to do cashless transaction. And their ability to transition to cashless transactions may be limited not by technology – but by the inability of customers to use cashless means to buy. Education of customers may help – but only upto a point. If we take wallets like Paytm and Mobikwik, these require a smart phone and right now only about 30% of the people have

smartphones. And most small buyers of gold will not, therefore, be able to buy without cash. And they may be too apprehensive to buy in cash.

The business of logistics providers and nominated agencies and banks – at least at the purchase end may not get affected much -; however, the same cannot be said with respect to the offtake of gold. So without staying power, it is likely that in the near term, these firms are also going to get negatively affected.

All in all, the key question to ask is how quickly are the various players ready and willing and able to transition to buying and selling gold on a cashless basis or on an e-transaction basis. If the answer to this question is a large majority, then the industry should be okay. Otherwise, it is in for a hard time. Necessity, they say is the mother of invention. Perhaps, the industry will judge that it is necessary to move in the direction of cashless transactions. An it will itself work to educate customers to move in that direction. In which case, we can expect a quick transition to an altogether different industry in a very short period of time.

Industries like gold normally take a decade or more to change. Demonetization may well provide the impetus to change in 1-3 years to a new look industry. The final contours of the change, however, will emerge only after we see other initiatives from the government – on customs duty, GST, e-transaction facilities and so on.



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

Gold In A Trump Era

Jeffrey M. Christian

The world woke up stunned 9 November when Donald Trump won the U.S. presidency. Trump had run a campaign marked by rudeness, racism, sexism, threats against Mexicans, Muslims, immigrants and others, incredible obfuscation, and outright deceit. Then he beat the incredibly flawed Democrat Candidate, Hillary Clinton, herself marred by obfuscation and deceit, and importantly a symbol of the oligarchic crony political system in the United States.

Markets initially gyrated wildly, with overnight U.S. stock futures plunging 1,000 points and gold rising to \$1,338. After the initial shock gold fell back to previous levels and U.S. equity values recovered – all by the morning on 9 November in New York.

Given the extreme level of uncertainty a Trump presidency presents to the world's polity, economy, and markets, Bullion Bulletin asked that CPM write this article.

1.What happened

The Trump victory must be taken in a global context. **There is rising global dissatisfaction with the economic and political conditions faced by most people in most parts of the world, growing out of ever increasingly oligarchic governance, and accelerating disparities in wealth.** This tide of anger and frustration is global, rampant from India and Indonesia to Russia, England, and most of continental Europe.

Trump tapped into this rising tide of nationalism, racism, xenophobia, anger, and divisiveness.

The last time such rabid nationalism took hold in many major parts of the world, in the 1920s -1930s, it led to

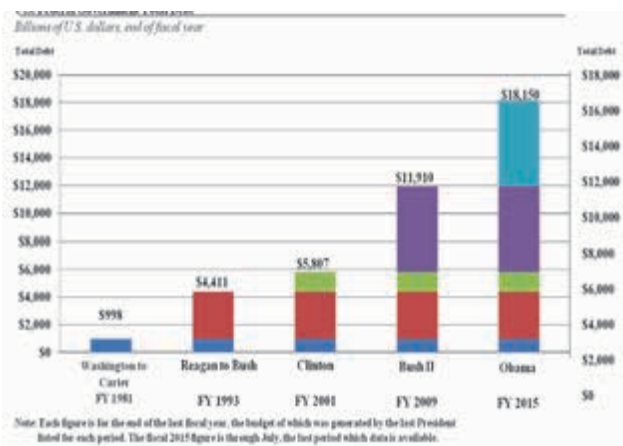


collapsing international trade, the Great Depression, and ultimately World War Two. Lessons learned, two generations avoided the sort of hate politics that now is reappearing.

It is too early to determine to what extent Trump is merely a symptom of this global trend and to what extent he may emerge as the demagogic leader of xenophobic nativism that leads to a rapid deceleration in international trade, cooperation, and sharing.

CPM's long-term economic outlook has for decades discussed the likelihood that as the world continues to move toward multi-polar economic, monetary, political, and cultural norms the United States might choose to divorce itself from the rest of the world, leading to a more rapid diminution of U.S. influence around the world. Trump's presidency will provide important insights into the direction and intensity of such isolationism both in the United States and other parts of the world.

The Growth Of Federal Debt



The Trump election victory in reality was far less of a ground swell than the Trump marketing machine wants the world to believe. They say the 134 million

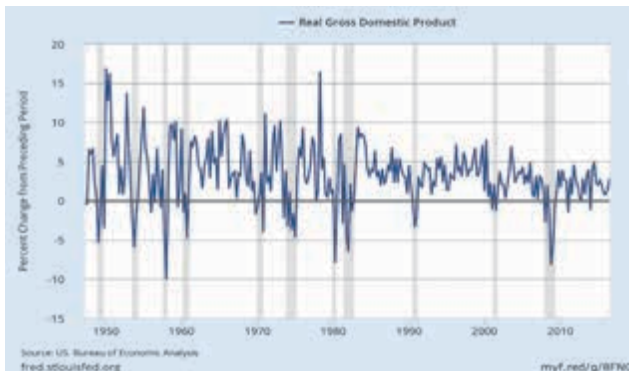
people who voted exceeded the 132 million voters in 2008, the previous record number of voters. This is true and reflects growth in the U.S. voting age population. It is misleading, however. **What is important is that voter participation dropped sharply: From 61.6% in 2008 to 58.6% in 2012 to 57.0% this year.** There was no grounds well of support for Trump; he has no mandate, which probably will become clear within the first 100 days of his presidency. Adding up the numbers: 43% of eligible voters abstained from voting, while another 29% voted for Clinton or third-party protest candidates. Thus, a total of **71% of eligible U.S. voters did not vote for Trump.** While the Republican party retained control of both houses of the Congress, the majority is slim in both houses, and many Republican congress people have radically different needs and thus agendas than does Trump.

2. What it means for the world economy and polity

No one knows how much of Trump's demagoguery he plans to pursue, given his notorious lack of honesty. Beyond his own self-imposed limitations, he will be tested by opposition in the Congress, by regulatory agencies and systems, and in the courts. Any radical change, for example a Supreme Court ruling overturning abortion or a reversal of the Bush-era unfunded Medicaid pharmaceutical payments to the elderly, indigent, and others, will be hit first with Congressional opposition, especially from Republican representatives receiving massive campaign donations from the pharmaceutical, insurance, and other industries. Later his desired programs will be challenged in the courts. Just as anti-abortion forces have constantly fought, unsuccessfully until now, to overturn Roe v Wade since that ruling was handed down in 1973, any effort to reverse Roe v Wade will likely be tied up in the courts for decades.

Trump's promised 5% - 6% real growth is wholly

unrealistic.



The reality is there are severe limits of presidential power. Trump will learn about these during his transition briefings from government operators, and later when he tries to do things.

There is speculation that Trump could be assassinated or that the powers that be, the 'second government' that runs the U.S. government, might stage a coup. Such events could happen, but they seem unlikely. The truth is that there is no need for a coup or assassination: The presidency is effectively neutered by the machinery of government.

Obama did not break campaign promises; he was not allowed to execute them. He wanted to quit Afghanistan, Iraq, and Guantanamo Bay. The military and economic consequences outlined by the professional government officials, including adding several hundred thousand demobilized soldiers to the unemployment rolls in 2009 when unemployment had soared to 10%, effectively neutralized the President's desire to do so. With the Affordable Care Act: It was made clear to Obama during the transition period that the only way he could have any health reform pass is if he allowed medical insurance providers to keep their intra-state oligopolies. Additionally, the pharmaceutical lobby ensured that Medicaid and other government programs would not be allowed to

try to negotiate discounted prices on pharmaceuticals the way private insurance companies do. Congress people insisted on these terms, reflecting their dependence on campaign contributions from these industries.

Trump's promised 5% - 6% real growth has never been achieved in the United States.

Average Growth In U.S. Real GDP	
1950s	4.5%
1960s	4.5%
1970s	3.4%
1980s	3.2%
1990s	3.4%
2000s	1.7%
2010 - 2016	2.1%

Trump will find himself unable to do many things he campaigned on, even if he truly wants to pursue them.

Trump has made protectionistic statements, talking about tearing up trade agreements, and being 'tough' with our trading partners. U.S. corporations exported \$235.7 billion in goods to Mexican customers in 2015. U.S. corporations imported \$296.4 billion in goods from Mexico to sell to U.S. customers. There was another \$52 billion in services crossing the border. U.S. corporations that export to and import from Mexico will lobby Republican Representatives and Senators heavily to make sure a Trump Administration does not harm their business.

Given these uncertainties regarding a future Trump administration it is hard to say how it will affect global political and economic developments. Trump could weaken economic growth both in the United States and around the world. Its purported fiscal stimulus program

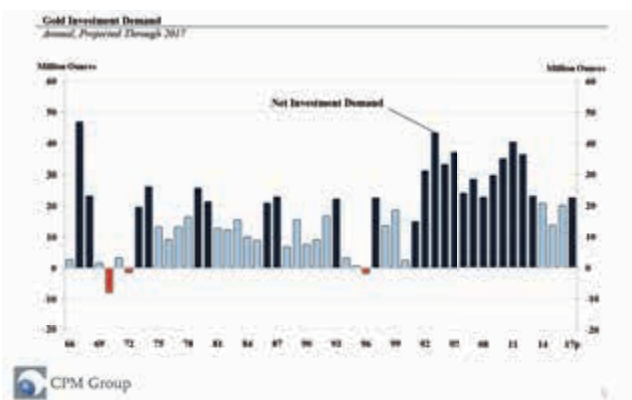
primarily will be tax cuts for the rich and corporations, which will goose U.S. equity prices higher, and lead to a stronger U.S. dollar as foreign investors jump into the U.S. stock markets. Little of that money will be invested in U.S. plant, equipment, and employment. The tax cuts will bloat the deficit, estimated to more than double to over \$1 trillion per year under Trump. Initially interest rates may stay low, but at some point they could begin to rise sharply if the buy side of the U.S. Treasury market starts worrying about a potential Treasury default.

3. What it means for gold, silver, and platinum

The myriad uncertainties of what Trump will do also clouds his likely impact on precious metals prices.

Prior to the election CPM Group was projecting in its **Gold Long-Term Outlook** report that gold prices might rise slowly in 2017, and then rise more rapidly after 2018. **Prices in U.S. dollars already had been projected to rise to new record nominal prices above 2011's levels by 2020 – 2025. A Trump presidency might accelerate the price rise.**

Gold Investment Demand



Silver prices probably would follow gold. CPM's long-term silver price outlook has been less positive than that for gold, since the silver market remains well supplied from

both newly refined metal and the billions of ounces in above-ground inventories. The silver market is even more heavily in need of much stronger investment demand for many years than is the gold market. A Trump presidency could help keep investors interested in silver for a long time to come.

The outlook for platinum is different. In the next few years ample supplies are projected to keep a lid on platinum. Platinum is more of an industrial metal than are gold and silver. Fabrication demand is projected to remain basically flat over the next few years, limiting this industrial metal's likely price rise. Several years from now supplies are projected to decline in advance of any declines in fabrication demand. At that time prices may start rising, but that move is years away. Since CPM does not expect Trump to have a major effect boosting real economic output both in the United States or globally, a Trump presidency is not expected to have major effects on fabrication demand for platinum, investment demand, and prices.

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Indonesian Gold scrap volumes rise Significantly in 2016 – aided by artisanal Mining

Indonesian gold scrap volumes have increased by at least 10% year to date with a further increase in the final months of 2016 likely as the recent rally in the gold price encourages further profit taking. However, not all gold collected for recycling is jewellery scrap or investment bars with gold doré collected from artisanal miners across the archipelago also boosting supply and lifting exports. In this article we review what is driving scrap higher and analyse the true size of the unofficial mining scene.

Cameron Alexander

Manager Precious Metals Demand Asia and the Middle East,
Thomson Reuters GFMS

Jewellery Scrap

The domestic gold price in Indonesia has risen 17% since the start of the year with the average price in rupiah terms 7% stronger year to date. Given this increase then it is not surprising that scrap volumes have risen as consumers take advantage of the elevated price levels to liquidate gold assets and book profits. While the dollar gold price is well below its 2011 peak, gold in rupiah terms reached an all time high in July this year when the local price briefly breached 575,000 rupiah per gramme due to the weakness of the local currency.

The Indonesian market is somewhat unique in that jewellery is often recycled and resold via

retailers rather than being collected and melted. It is not unusual, particularly in rural areas, for the same item to be returned to the retailer three or four times before it is eventually sent for refining. These traders clean and repolish the piece before selling it again, often at a lightly discounted price given it is regarded as second hand.

The notable change this year has been that consumers have been less willing to upgrade to a new design and have preferred instead to cash in their jewellery items. This has impacted local consumption volumes (offtake was 26% lower in Q3 based on our analysis) and has resulted in a build up of inventory that retailers have been forced to liquidate in order to manage



cash flows. Local refineries have confirmed that they have seen a notable rise in jewellery scrap this year with the bulk of these flows seen in the third quarter.

is exported, mainly to refineries based in Singapore, Hong Kong and Switzerland. The Indonesian government currently does not permit the export of mine doré so

source stronger by an estimated 15-20%.

There are several known regions across Indonesia where artisanal mining is well organised and entrenched. Such regions would include Kalimantan, Sumatra, Sulawesi and Papua. There are some areas, particularly in Sulawesi and Papua, where the silver content is very high – in excess of 70%. Gold received from Kalimantan and Sumatra in contrast is of far higher gold purity, closer to 80%, and this is the preferred material for many of these scrap collectors.



Artisanal Mining

The true size of artisanal mining in Indonesia has always been very opaque given the unofficial nature of the trade. In recent years the team at GFMS has worked hard at trying to quantify the size of this market and to understand the flows of this metal. The collectors of this material are well organised and have the facilities to refine and upgrade the gold doré produced. It is often sold to jewellery fabricators across the country that prefer purchasing this material, often at a discount, then purchasing LBMA accredited bars from the banks or refiners.

While some of this material is consumed domestically for the fabrication sector the vast bulk

this material is often upgraded to rough jewellery (at close to 985 purity) before being sent offshore as scrap, only to be refined on arrival at the refinery.

Based on feedback from our contacts within the industry we believe the size of this market would conservatively be close to 85 -95 tonnes per annum – an upwards revision to our previous estimates. Importantly, this is in addition to the official mining sector where all mine doré is treated at the State owned refinery. It would not be uncommon for shipments of 1.5 -2 tonnes of this “jewellery scrap” to be exported weekly. The higher gold price this year, has in our view, teased out a little more of this material with production from this

If gold prices continue to track higher into 2017, as we have forecast, Indonesian scrap flows from both the genuine jewellery scrap trade and artisanal mine production are expected to rise. The supply from mining is far less price elastic as production continues regardless of price movements but jewellery scrap flows are more closely aligned with movements in the domestic gold price. It would not surprise to see combined scrap in 2017 exceed the level obtained this year.

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

Jewellery Sector – Insurance Solutions for Impact of Demonetisation

Sunil Vidhate

Demonetisation of INR 1000 and INR 500 currencies is impacting the entire economy at 360 degrees. The visual manifestation of the move of course is the long queues one witnesses in every branch of every bank across the country. While the banking industry has in deed come under huge logistics pressure which, to their credit, they have been managing reasonably well, there are interesting news items about how support entities like Cash Management Companies and Managed Service Providers suddenly have to handle volumes that are times the volumes they traditionally handle.

While these are the immediate and transient impacts, demonetisation is expected to impact all facets of the economy in many ways in the long run on a permanent footing too. Yes, there would be the obvious fall outs like flushing out unaccounted money, which in turn would curb anti-social and subversive elements whose funding is predominantly from such funds. Such preventive and curative impacts apart, demonetisation will also lead to commercial processes becoming better streamlined.

Each industry and trade has its own peculiar processes. Jewellery sector is no exception. Actually, this domain has more such intrinsic peculiarities in its processes than many other domains.

Jewellery Manufacturing and Trading sector has moved rather faster than most other sectors in corporatisation and increased transparency in commercial transactions. From individual jewellery manufacturers that traditionally operated as one shop makers cum traders of jewellery, the sector today has reengineered itself into one of multi-store chains that are owned and managed by corporate bodies. Near all sales are through non-cash transactions, using various means of payments that the evolving banking sector has made possible. Captains of the jewellery sector have successfully spearheaded driving such transparent and streamlined payment processes, thus promoting near total vouched sale transactions.

While this is true of the end sale transactions, it is not completely true when it comes to back end transactions in Jewellery Manufacturing and Trading. Like



all other domains of manufacture, this industry also has a process chain – starting from sourcing dore (Raw form of gold) to refining dore into gold and then converting gold into products meeting end user requirements like jewellery, coins, etc. Valuables and moneys necessarily change hand to hand in these back end processes through this conversion chain.

The corporatisation of the jewellery manufacturing and trading sector that led to more and more professionalization has increased the participation of professional logistics companies in handling these movements so much so that certain logistics companies specialise in

only such movements and vaulting of high value low dimension cargos, including currencies. The corporatisation of the sector has brought at its wake increasing globalisation of the sector. The percentage contribution of this sector to overall air cargo movement is constantly on the increase. Aircrafts have special valcargos compartments to carry such cargo. Throughout this movement chain, increasing risk mitigation processes have come to stay and are also evolving by the day. It thus makes sense for the jewellery industry to move to such professional and corporate logistics since it mitigates the physical and people risks.

Having said that, payments do happen from various entities in the manufacturing and trading chain; and such movement of currencies continue to depend more on non-corporate individual persons carrying such cash. Very little of these transits are carried out by corporate professional logistics companies. Leading corporate entities in jewellery sector have been working towards shifting these movements also to the more organized corporate logistics companies. Their efforts in this direction will get a boost with demonetization.

The corporate logistics companies that specialise in movement of such valcargos and currencies would in deed do well to shore up their infrastructure to leverage on this development. The jewellery

sector would rightly look up to these corporate logistics service providers to offer faster and safer transportation of their monies. There would be the natural expectation to further strengthen the risk control and risk mitigation processes. The volumes involved would justify these logistics companies investing further into enhancing necessary infrastructure and similar investment into making their processes more and more robust and risk free.

Alliance insurance brokers is the market leader in handling risks and insurance of both the sectors involved viz. jewellery manufacturing and trading sector including diamanteers on one side and valcargos logistics solutions providers on the other. There are speciality teams in Alliance; one providing risk management and risk transfer solutions to the jewellery manufacturing and trading industry, another providing the said risk management and risk transfer solutions to the valcargos logistics companies. Alliance's contribution in improved risk management practices in these domains is sine qua non. Throughout the year through an annual calendar of road shows, Alliance facilitates increasingly stronger interactions among risk management professionals in these sectors in India with risk management and insurance professionals worldwide. As stated, the volumes of cash movement and vaulting that cash management companies handle spiked overnight

with the demonetisation move. The normal movement from banks to ATMs increased; in addition, the reverse movement of demonetised currencies needed to be handled; and further one currency of value INR 1K being replaced by one currency of value INR 2K increased the risk given the same number of currency notes in transit and vaults!

Team Alliance, working 24 by 7, has successfully handled the sudden surge in the coverage limits that Cash Management Companies required, in many cases, the increase in limits being three times the original limits, overcoming capacity and treaty limitations of insurance companies in India and abroad who insure these risks. And the team is already studying possible and probable new and/or enhanced risk exposures that might result with the jewellery manufacturing and trading sector utilising corporate valcargos logistics providers for their back end money movements. The endeavor is to stay ahead of the curve and be ready with risk management and insurance solutions by the time the market comes up with demands for the same in the very near future.

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About Author

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China's 2016 Gold Demand Continues Downward Trend

Lawrie Williams

Today we've received the latest figures for China's official gold reserves and also the latest Shanghai Gold Exchange (SGE) gold withdrawal figures for October and both suggest that this year's decline in overall gold demand, both from official and commercial entities has continued to fall. First the People's Bank of China reported that the country's official gold reserves rose to 59.24 million troy ounces (1,842.6 tonnes) at the end of October, up from 59.11 million troy ounces (1,838.5 tonnes) in September, a rise of a paltry 4 tonnes, well below the 14 tonnes added to reserves in the same month a year ago and follows on from rises of only 5 tonnes in August and September this year. Year to date China has only reported a total reserve increase of around 76 tonnes compared with the 104 tonnes it reported for the final 6 months of 2015 (it only began reporting monthly reserve increases in July 2015).

While these latest statistics suggest a definitive decline in official purchases, leaving China with an estimated total holding

of around 1,847 tonnes – the world's fifth largest national gold holding – the holding remains tiny in terms of percentage of its total foreign reserves (less than 2.5%) in comparison with the world's other major gold holders like the USA, Germany, Italy and France, all of which reportedly hold over 60% of their forex reserves in gold. (It is widely believed though that China may hold far more gold than it reports to the IMF as it is known to have heavily under-reported its holdings in the past).

But official holdings are probably only the tip of the iceberg as far as Chinese gold demand is concerned as known gold imports have been running at over 1,000 tonnes a year for some time and it is also the world's largest gold producer. One measure of China's non-official gold demand comes in reported monthly gold withdrawals from the Shanghai Gold Exchange (SGE) and as can be seen from the table below these are currently running 28% below last year's record levels, although only 5.7% down on 2014 levels.

Shanghai Gold Exchange Monthly Gold Withdrawals (Tonnes)

Month	2016	2015	2014	% change 2015-2016	% change 2014-2016
January	225.08	255.42	246.00	- 11.8%	
February*	107.60	156.36	171.67	- 31.2%	-37.3%
March	183.24	213.35	146.56	-14.1%	+25.0%
April	171.40	195.45	129.59	-12.3%	+32.2%
May	147.28	162.15	129.34	-9.2%	+13.8%
June	138.51	195.67	128.03	- 29.2%	+8.2%
July	117.58	285.50	137.53	- 58.8%	-14.4%
August	144.44	265.27	161.95	- 45.6%	-10.8%
September	170.90	259.98	202.43	-34.3%	-15.6%
October	153.25	176.29	201.11	-13.1%	-23.8%
November		202.71	212.49		
December		228.21	235.66		
Year to end October	1,559.28	2165.44	1,654.21	-28.0%	-5.7%
Full Year		2,596.37	2,102.36		

Source: Shanghai Gold Exchange, Lawrieongold.com



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(It is widely believed though that China may hold far more gold than it reports to the IMF as it is known to have heavily under-reported its holdings in the past).

The latest monthly withdrawal figure was 153.25 tonnes, 17.65 tonnes less than September, but this is probably not significant as October figures included the Golden Week holiday when the Exchange was closed. We can expect something of a pick-up in November and December as demand increases ahead of the Chinese New Year and there are already anecdotal reports

that retail gold demand has been rising in recent weeks. Overall we'd expect the annual total to eventually come in at around 2014 levels at around 2,100 tonnes, but this would still be a substantial number in terms of a percentage of global demand and represents more than 60% of global new mined output. Chinese demand may be down this year but it still remains hugely significant.

About the Author

Lawrence (Lawrie) Williams is a well known London-based writer and commentator on financial and political subjects, but specialising in precious metals news and commentary. He is a qualified and experienced mining engineer having graduated in mining engineering from The Royal School of Mines, a constituent college of Imperial College, London – recently described as the World's No. 2 University (after MIT).

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

Around the World

Royal Mint offers gold trading based on blockchain

The Royal Mint has paired up with the markets operator CME Group to build a gold market using nascent blockchain technology, in a bid to broaden London's appeal as a place to buy and sell bullion.

The state-owned Royal Mint hopes to start accepting trades from the middle of next year on its Royal Mint Gold platform, which will log each transaction using blockchain, a transparent and so-far tamper-proof method of keeping records.

The market will be underpinned by up to \$1bn in gold bars, or around two tonnes at current prices, which will be stored in the Mint's vaults near Cardiff.

Blockchain is best known as the open technology that was used to build Bitcoin, the online payment system that can be used anonymously.

CME and the Royal Mint have spent about a year trying to adapt the technology to use in the gold market, where the methods of physically buying and selling the commodity have remained largely unchanged for hundreds of years.

Source: <http://www.telegraph.co.uk/>

No restrictions on Sudan's gold exports: minister

Sudan's Minister of Minerals Ahmed Sadiq al-Karouri on Thursday assured investors from Oman Sultanate that there are no restrictions on Sudanese gold export.

The Minister expected that more mining companies to enter production stage within the coming two years.

In August, Sudanese government said that it would take measures to avoid any possible ban by U.S Administration on Sudan's gold exports.



At the time, al-Karouri expected that Washington would try again to impose ban on Sudan's gold exports after its failure to issue a decision from United Nations Security Council.

"All the mining companies working in Sudan are able to export their gold production without any restrictions," al-Karouri told the Omani investors on Thursday, pointing that that U.S sanction impose restrictions on importing modern mining equipment and financial transactions.

Source: <http://www.sudantribune.com/>

Hayek's The Road to Serfdom described how personal freedoms are progressively eroded by the state in the name of the common good.

Alasdair Mcleod, Head of Research, Goldmoney



His warning is more associated with totalitarianism and dictatorships, than modern democracies, but the statist attitudes he warned about still apply today and lead to the same loss of personal freedom and increase of state control. In the main, the serfs are patient and tolerant of their masters, but in a democracy, the establishment behind the state risks being challenged. And that has happened twice this year, first with Brexit and now with Trump in America.

We can be certain that the establishment in Britain and America

will reinvent itself. Theresa May is not out to change the world, but is adapting to the new realities. Donald Trump is still mostly an unknown quantity, but the initial impression is one of appalling economic ignorance, dressed up as the new Reaganomics. He proposes substantial tax cuts and state-directed infrastructure spending “to make America great again”. But unless tax cuts and infrastructure commitments are made in lock-step with reductions in government spending, which seems extremely unlikely, the outcome will be to stimulate latent price inflation to a surprising degree.

The starting point for “Trumpenomics” could hardly be worse. The level of debt in both the government and private sectors is too high to be sustained already, and from this elevated base it is proposed to print and borrow much more. Payment for this profligacy can only come from credit creation, as banks mobilise and gear up on their excess reserves at the Fed to buy government bonds. The

accumulation of latent fiat money since the financial crisis will at last be applied to driving up prices on Main Street, instead of mainly on Wall Street as heretofore. The status quo has concealed enormous economic and monetary distortions, the unwinding of which will have unexpected consequences for prices.

Private sector wealth and savings have already suffered considerable dilution from decades of the Fed’s monetary policies. Significant numbers of the American population are finding it hard to make ends meet, and have been in financial difficulties for many years.

Accelerated government deficit spending is an added malevolent influence, which can be expected to drive up prices of ordinary goods, all other factors being equal. While Keynesians believe in economic stimulation, the reality is an added round of monetary debasement will increase the impoverishment of the “deplorables” who voted for Trump. It will turn out to be a destructive Keynesian policy additional to existing policy mistakes.

For the moment, with the stock market roaring on the prospects of all this lovely stimulus, no one seems that worried. But already, we see the US Treasury market falling rapidly, with 10-year Treasury prices down roughly 8%, a catastrophe for investors who have bought into the Yellen put. The dollar has also risen against other currencies, reflecting the attractions of higher dollar yields. And at the same time, commodity prices are roaring. The chart below,

which is a composite of industrial raw materials, illustrates this problem.



The surge in raw material prices is not widely appreciated. For now, higher raw material prices are expected to be absorbed by retail businesses, as Mark Carney stated at Tuesday's UK Parliamentary Treasury

Committee meeting. It's a case for the three wise monkeys. But only so much can be absorbed by margin compression before customers pay up, or retailers shut shop and manufactures scale back production. Welcome to the new great America. We are now seeing term rates rising and the purchasing power of the dollar, measured in industrial materials, falling significantly before any stimulation from Trump's accelerated deficit spending. He's too late and will only aggravate a bad situation. The reason commodity prices are rising is mainly due to stockpiling by China, which plans its own infrastructure boost. Instead of

only the largest country measured by global trade looking to spend on infrastructure development, in addition we will have the largest country measured by GDP looking to do the same. The timing of Trump's

planned spending-spree could hardly be worse, from a price-inflation perspective.

The rise in the dollar against other currencies is also creating destructive chaos. The reserve currency everyone has borrowed is rising in value against local currencies, leading to a scramble for cover, and a shortage of dollars in the interbank markets. These difficulties should not be underestimated, being extremely costly for indebted businesses in emerging markets and in the Eurozone. The rise in dollar term-rates also exposes the ECB's and Bank of Japan's monetary policies as being entirely wrong. It has led to substantial falls in the euro and yen against the dollar, and massive additional losses on bond investments denominated in these currencies.

Europe

The EU and the ECB have been badly affected by the Trump surprise. Suddenly, Brexit looks like a prescient move, with the UK likely to get a better trade deal with an Anglo-Saxon partner, than originally thought. Other nations could well have their own self-driven rebellions, with many elections and referendums due in the next year. Furthermore, Trump is likely to reduce America's NATO commitment in a new policy of détente with Russia. The political situation has suddenly become very dicey, and the

economic situation has just become worse as well.

The ECB has for the last eight years successfully contained a systemic banking crisis, involving variously Ireland, Cyprus, Greece and Portugal, with real threats from Italy, Spain and even Germany. To maintain the value of the collateral and investments held on bank balance sheets, the ECB has reduced interest rates and elevated bond prices by buying large quantities of debt in the market. It is a policy that has worked so far, because exogenous threats were also contained. This is no longer the case, and Eurozone bond prices have been exposed as considerably more overvalued than US Treasuries, given prices that imparted negative yields to German bunds. The effect of further bond price falls on bank balance sheets could well be catastrophic.

Today, the obvious weak point in the financial system is Italy. Italy faces a constitutional referendum on December 4th, which has been postponed from October. The vote is an attempt by Matteo Renzi, Italy's Prime Minister, to reduce the Senate's power. In effect, the power lost to the Senate will be transferred to the executive. Originally, Renzi pledged to resign if the referendum went against him, but recently he appears to have backed away from this commitment as the chance of failure has increased. Italy matters,

because it is on the verge of a major banking and economic crisis and the serfs smell a constitutional rat.

The weakness of Italy's banking system is no secret, but commentators miss the underlying point, that the fundamental problem is with the economy. Non-performing loans in the banking system are officially recognised at 18% of GDP. But the public sector is 52% of GDP, which means that NPLs are over 40% of private sector GDP, bearing in mind that this is where NPLs are confined. And it is a fair bet that the NPL problem is worse than officially recognised. So even if the banks are successfully restructured or bailed out, it is unlikely to resolve the underlying economic malaise.

Trumponomics has just made the ECB's bailouts considerably more difficult, because as well as non-performing loans, the banks have massive mark-to-market bond losses to absorb as well. Furthermore, the ECB will almost certainly have to raise interest rates more than the Fed, particularly if the euro continues to weaken against the dollar, as seems likely. That is where the crisis will hit, and probably not before long.

In conclusion, Trumponomics as proposed (though it is obviously not yet in its final form) will lead to accelerating price inflation, accompanied not by better

conditions for the "basket of deplorables" as Hillary Clinton described Trump's supporters, but their further impoverishment through the realisation of the wealth-transfer mechanism of price inflation. Stagflationary conditions are already on the cards, but as a matter of simple economics it is being accelerated further by Trump's intended plans. The black swan event, the unforeseen consequence, is likely to bring forward the political and economic disintegration of Europe and the euro area, through a falling currency and collapsing bond prices. Welcome to The Donald's world. The serfs never win, as Hayek recognised.



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

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)**

Notification No. 36/2016 – Central Excise

New Delhi, the 1st December, 2016

G.S.R. (E). – In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2012-Central Excise, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 163 (E), dated the 17th March, 2012, namely:-

In the said notification, in the Table, for serial number 200 and the entries relating thereto, the following serial number and entries, shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)
"200"	7114	(I) Articles of goldsmiths" or silversmiths" wares of precious metal or of metal clad with precious metal, bearing a brand name; (II) Gold coins of purity 99.5% and above, bearing a brand name when manufactured from gold on which appropriate duty of customs or excise has been paid; (III) Silver coins of purity 99.9% and above, bearing a brand name when manufactured from silver on which appropriate duty of customs or excise has been paid. Explanation. – For the purposes of this exemption,- (1) "brand name" means a brand name or trade name, whether registered or not, that is to say, a name or mark, such as a symbol, monogram, label, signature or invented words or any writing which is used in relation to a product, for the purpose of indicating, or so as to indicate, a connection in the course of trade between the product and some person using such mane or mark with or without any indication of the identity of that person; (2) an identity put by a jeweller or the job worker, commonly known as „house mark" shall not be considered as a brand name."	1% Nil Nil	25 52A -

[F. No. 354/122/2016 –TRU]

(Anurag Sehgal)

Under Secretary to the Government of India

Note:- The principal notification No. 12/2012-Central Excise, dated the 17th March, 2012 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 163(E), dated the 17th March, 2012 and last amended vide notification No. 35/2016 -Central Excise, dated the 28th November, 2016 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 1097(E), dated the 28th November, 2016.





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PRESS INFORMATION BUREAU GOVERNMENT OF INDIA

Government clarifies that the apprehension sought to be created that the jewellery with the household which is acquired-out of disclosed sources or exempted income shall become taxable under the proposed Taxation Laws (Second Amendment) Bill, 2016, is totally unfounded and baseless.

New Delhi, December 1, 2016

Agrahayana 10, 1938

In the wake of Taxation Laws (Second Amendment) Bill, 2016 which has been passed by the Lok Sabha and is under consideration with Rajya Sabha, some rumours have been making rounds that all gold jewellery including ancestral jewellery shall be taxed @75% plus cess with a further penalty liability of 10% of tax payable.

It is hereby clarified that the above Bill has not introduced any new provision regarding chargeability of tax on jewellery. The Bill only seeks to enhance the applicable tax rate under section 115BBE of the Income-tax Act, 1961 (the Act) from existing 30% to 60% plus surcharge of 25% and cess thereon. This section only provides rate of tax to be charged in case of unexplained investment in assets. The chargeability of these assets as income is governed by the provisions of section 69, 69A & 69B which are part of the Act since 1960s. The Bill does not seek to amend the provisions of these sections. Tax rate under section 115BBE is proposed to be increased only for unexplained income as there were reports that the tax evaders are trying to include their undisclosed income in the return of income as business income or income from other sources. The provisions of section 115BBE apply mainly in those cases where assets or cash etc. are sought to be declared as 'unexplained cash or asset' or where it is hidden as unsubstantiated business income, and the Assessing Officer detects it as such.

It is clarified that the jewellery/gold purchased out of disclosed income or out of exempted income like agricultural income or out of reasonable household savings or legally inherited which has been acquired out of explained sources is neither chargeable to tax under the existing provisions nor under the proposed amended provisions. In this connection, a reference to instruction No.1916 is also invited which provides that during the search operations, no seizure of gold jewellery and ornaments to the extent of 500 grams per married lady, 250 grams per unmarried lady and 100 grams per male member of the family shall be made. Further, legitimate holding of jewellery upto any extent is fully protected.

In view of the above, the apprehension sought to be created that the jewellery with the household which is acquired out of disclosed sources or exempted income shall become taxable under the proposed amendment is totally unfounded and baseless.

■ ■ ■



Trevor Raymond, WPIC, Speaks

Investors in platinum must be happy this year as price appreciated substantially until recent correction this year. Are you anticipating the trend will continue next two years? Do you believe platinum follows gold as gold has also done well this year until the recent correction?

We do not forecast the price of platinum. However, we have noted the ongoing strong correlation between the price of platinum and the price of gold. We believe the recent price weakness in platinum was driven by the fall in the gold price.

Investment demand is projected at 250koz next year compared to 350 koz this year. Why are you expecting drop in investment demand?

Our forecasts of investment demand are conservative and updated as quarterly information becomes available. Our forecast in November 2015 for 2016 was 130 koz which turned out to be 350 koz as mainly Japanese investors responded to price weakness. We

believe market tightness as a result of 5 consecutive deficits may see an increase in investor interest in 2017.

You are anticipating jewellery demand to grow next on account of better demand from India. But India is traditionally gold lover country. Why are you expecting the demand to be increased?

Platinum jewellery demand growth in India has been successful as it does not compete directly with gold but rather is flourishing alongside it. In India platinum is strongly linked with an expression of love. This love related gifting of platinum well after the marriage and between the families of the bridal couple are the successful campaigns driving the demand growth.

You are expecting automotive demand to remain low next year. Is it because of China or for overall slowdown in global economy?

Automotive demand remains strong in 2017 as higher Euro 6 loadings and more vehicle sales



almost offset the assumed strong reduction in diesel share from 50% in 2016 to 48.5% in 2017. Platinum automotive demand in 2017 is 6.5% or 205 koz higher than in 2013 and only 30 koz lower than in 2016.

Can investors get back the return in the long term as price of platinum is arguably attractive at present?

The WPIC is not authorised by the Financial Conduct Authority to give investment advice



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

PRESS RELEASE

London, 22 November 2016



Smaller overall FY2016 platinum market deficit anticipated

- Stable automotive demand for platinum
- 2016 Chinese jewellery market softer than previously forecast
- 2017 forecast projects sixth consecutive annual market deficit

London, 22nd November 2016: The World Platinum Investment Council (WPIC) today announces the publication of its latest **Platinum Quarterly** - the first independent, freely-available, quarterly analysis of the global platinum market. This report incorporates analysis of platinum supply and demand during the third quarter of 2016, accompanied by a forecast for the full year 2016 as well as an initial forecast for 2017. Today's report estimates that the deficit for the full year 2016 will be lower than previously forecast, as a result of softening of Chinese jewellery demand.

Platinum Quarterly is a WPIC publication. It is largely based upon research and detailed analysis commissioned with, and conducted by, SFA Oxford (SFA), an independent authority on the platinum group metals market.

Paul Wilson, chief executive officer of WPIC commented: "This edition of Platinum Quarterly forecasts a market that is set to remain in deficit in 2016 and 2017, marking the fifth and sixth consecutive years of deficits in the platinum market. The deficit for 2016 has been revised lower this quarter, reflecting a slowdown in retail jewellery sales in China, accentuated at the manufacturer level, due to higher than expected levels of retailer jewellery recycling this year. Chinese jewellery retailers are seeing reduced sales of gold products (due to anti-gifting legislation), which slowed footfall, thereby reducing overall Chinese platinum jewellery sales. However, we continue to see medium-term growth prospects in China as significant.

It is interesting to note that one year on from the VW scandal, automotive demand for platinum remains relatively stable, with rising total vehicle sales set to offset a modest decrease in European diesel share this year. Media coverage in the last 12 months has caused some concern among consumers and investors as to the future of diesel. However, our forecasts firmly indicate that global automotive platinum demand will dip by just 1 per cent in 2017. Diesel cars can, and will, meet demanding real world driving standards on emissions. Consequently, new diesels will continue to play a critical role in helping automakers meet their CO2 emissions obligations."

Overview of key data presented in Platinum Quarterly:

SFA's revised supply and demand forecast has recast the full-year 2016 deficit, scaling it back by 350 koz, to a predicted deficit of 170 koz:

- Global demand in 2016 is forecast to decrease by 3 per cent year-on-year to 8,040 koz, while total platinum supply is expected to be marginally lower year-on-year at 7,870 koz.
- Total supply is set to be 35 koz lower year-on-year, as lower refined production in South Africa (-230 koz) outweighs an increase in jewellery recycling (+110 koz) related to weaker consumer offtake in China.
- Jewellery demand is projected to fall by 300 koz this year – down 10 per cent year-on-year – with growth in India, North America and Western Europe unable to offset lower manufacturer buying in China and Japan.
- Industrial demand in 2016 is expected to rise by 2 per cent year-on-year following stronger demand for use in chemical catalysis, petroleum refining and other industrial end-uses.



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- Total investment demand for the year is forecast at 350 koz due to robust bar and coin demand and a modest decline in ETF holdings.
- The forecast market deficit of 170 koz in 2016 is expected to reduce estimated above ground stocks to 2,145 koz at the end of the year.

For the third quarter of 2016, today's report shows a fall in both supply and demand.

- Total global supply of platinum was down 9 per cent from Q2 2016 to 2,000 koz, with total mining supply estimated at 1,490 koz.
- Total global demand for platinum was 1,940 koz during the third quarter, down by 5 per cent from Q2 2016 and by 17 per cent year-on-year.
- Total mining supply in Q3 declined 235 koz quarter-on-quarter due to lower production from South Africa. This was driven by safety stoppages and producers replenishing inventories used during outages earlier in the year.
- Total recycling in Q3 increased 30 koz quarter-on-quarter to 510 koz, as higher jewellery recycling (+55 koz) from retailer destocking in China more than offset a decline in autocatalyst secondary supply (-25 koz).
- The main contributing factor to the decline in Q3 demand was seasonally lower autocatalyst demand, down 90 koz quarter-on-quarter. This was partly offset by the 45 koz increase in jewellery demand, which included a 20 per cent increase in India, following heavy promotion of men's platinum jewellery.
- Third quarter industrial demand decreased by 10 koz and investment demand was 50 koz lower this quarter as Japanese investors eased back on their platinum bar and coin purchases.

Today's report also includes a complete forecast for 2017, which estimates that the platinum market deficit will continue next year, marking the sixth consecutive year of market deficits.

- Total platinum supply in 2017 is forecast to fall 2% to 7,745 koz, with mining supply expected to be flat year-on-year in 2017 at 6,000 koz, and platinum recycling expected to decline to 1,745 koz (down 6 per cent year-on-year). Recycled platinum from autocatalysts is expected to stay relatively flat, while global jewellery recycling is projected to drop by 120 koz, as recycling in China returns to a more typical level.
- Total platinum demand in 2017 is also forecast to fall 2 per cent year-on-year to 7,845 koz with projected growth in jewellery demand unable to offset expected declines in automotive, industrial and investment demand.
- Automotive demand for platinum is expected to dip by 1 per cent to 3,360 koz in 2017, due to a slight decline in autocatalyst demand.
- Jewellery sales are expected to grow in 2017 by 2 per cent, supported by strong demand in India.
- Lower requirements for use in petroleum refining, chemical catalysis and glass fabrication are estimated to reduce industrial demand 6 per cent to 1,610 koz next year.
- Total investment demand is projected to be 250 koz next year due to healthy demand for bars and coins and a modest increase in ETF holdings.

To download this edition of Platinum Quarterly and/or subscribe to receive the research in the future, without charge, please visit our website: www.platinuminvestment.com

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BULLION

The Sovereign 2017 Gold Bullion Coin



In 2017, we celebrate the 200th anniversary of the modern Sovereign - a coin unrivalled in quality, accuracy and design.

The Sovereign is The Royal Mint's 22 carat gold flagship coin. For two centuries The Sovereign has been a constant of British coinage, admired and trusted through times of change.

The Sovereign's bold St George and the dragon design was created by Benedetto Pistrucci, representing integrity and resilience. It's a trusted coinage, constant through times of change, and has remained a flagship coin for The Royal Mint. It features a new shield mint mark, placed proudly below the defeated dragon, to signify the 200-year anniversary. The coin's obverse features the fifth definitive portrait of Her Majesty The Queen by Jody Clark.

The Sovereign 2017 UK Gold Bullion Coin and The Half-Sovereign 2017 UK Gold Bullion Coin are struck in 916.7 fine gold.

Mint	The Royal Mint, UK
Product Reference	UKB17SVT
Alloy	916.7 Au
Weight	7.988 g
Diameter	22.05 mm
Edge	Milled
Finish	Bullion
Obverse	Jody Clark
Reverse	Benedetto Pistrucci
Packaging	25 coins per tube, 20 tubes per monster box

Key Features

- Struck in 22 carat gold
- Minted to bullion standard
- Features the classic reverse design of St George and the dragon by Benedetto Pistrucci and for 2017 has the addition of a privy mark to acknowledge its 200th anniversary
- The obverse bears the definitive fifth portrait of Her Majesty The Queen
- CGT exempt (UK) VAT Free (UK/EC)
- UK Government assurance of weight and purity
- Unlimited mintage

CAD image is not shown to actual size

The Royal Mint, Llantrisant, Pontyclun, CF72 8YT, United Kingdom
royalmintbullion.com

Location and date London 8 November 2016



Exchange-traded Products Continue to drive Gold Demand in the third quarter of 2016

Global gold demand reached 993 tonnes (t) in the third quarter of 2016, a fall of 10% compared to the same period last year, according to the World Gold Council's latest Gold Demand Trends report. Net inflows into Exchange-traded products (ETPs) helped drive a sharp increase in investment demand, but this was not enough to offset falls in other areas, notably jewellery and purchases by central banks.

Total investment demand rose 44% to 336t, with ETP inflows accounting for 146t, as investors continued to build up their strategic allocations to gold. The third successive quarter of inflows into ETPs – which were dominated by European funds – were predominantly driven by ongoing economic and geopolitical uncertainty, ahead of the US election and also in Europe post the Brexit referendum decision, and in advance of various European elections next year. These flows were further supported by relatively expensive equity valuations and low-yielding sovereign bonds. By contrast, bar and coin demand totalled 190t in Q3, down 36% year-on-year.

Alistair Hewitt, Head of Market Intelligence at the World Gold Council, commented:

"We continued to see flows into gold-backed ETPs in Q3, taking year-to-date inflows at the end of September to 725t. Institutional investors have looked to hedge against uncertainty stemming from geopolitical risk, including Brexit, the US Presidential race and the potential impact of elections in France and Germany next year. In addition, negative interest rates – a theme ever present this year – continued to underpin institutional demand."

Both China and India, the world's leading gold markets, experienced a drop in consumer demand this quarter, of 22% and 28% respectively. In China, ongoing economic uncertainty contributed to a softening in sentiment towards the precious metal, which was magnified by high gold prices and changing consumer behaviour. In India, more stringent government policies, high gold prices and a squeeze on disposable rural incomes combined to dampen consumer sentiment. These were key factors in total jewellery demand falling 21% year-on-year to 493t.

Alistair Hewitt added, "The core physical markets of India and China continued to suffer under high prices and squeezed incomes in Q3, but it looks like Q4 may be better. Price expectations have always been a key trigger for gold purchases and consumers responded quickly to the price drop in early October. And in the case of India, the first healthy monsoon in three years will boost rural incomes, supporting demand during the festive and wedding season."

Total mine supply reached 832t this quarter, down 4% from the 866t seen in the same quarter last year. The relative stability can be attributed to the cost cutting programmes that have been a feature over the past few years. The rising gold price also encouraged consumers to recycle their gold, generating more than 341t of supply this quarter, up 30% on the same period last year. This was particularly prevalent in India, where consumers cashed in their holdings, swelling the amount of recycled gold in the region to 39t, its highest level since Q4 2012.

The key findings included in the Gold Demand Trends Q3 2016 report are as follows:

- **Overall demand** for Q3 2016 was 993t, a fall of 10% compared to 1,105t in the same period last year
- **Total consumer demand** for Q3 2016 fell 26% to 683t from 917t in the same quarter last year
- **Total investment demand** grew 44% to 336t this quarter compared to 232t last year
- **Global jewellery demand** was down 21% at 493t, compared with 622t in the same period last year
- **Central bank demand** reached 82t this quarter, compared with 168t in the same period last year
- **Demand in the technology** sector was virtually flat year-on-year, down just 1% to 82t
- **Total supply** grew by 4% to 1,173t this quarter from 1,127t in the third quarter of last year. This was largely driven by recycling, which increased 30% to 341t, from 262t in the same period last year.

The **Q3 2016 Gold Demand Trends report**, which includes comprehensive data provided by Metals Focus, can be viewed at <http://www.gold.org/supply-and-demand/gold-demand-trends> and on our iOS and Android apps. Gold Demand Trends data can also be explored using our interactive charting tool <http://www.gold.org/supply-and-demand/interactive-gold-market-charting>.

You can follow the World Gold Council on Twitter at @goldcouncil and Like on Facebook.

ENDS

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Note to editors:

World Gold Council

The World Gold Council is the market development organisation for the gold industry. Our purpose is to stimulate and sustain demand for gold, provide industry leadership and be the global authority on the gold market.

We develop gold-backed solutions, services and products, based on authoritative market insight and we work with a range of partners to put our ideas into action. As a result, we create structural shifts in demand for gold across key market sectors. We provide insights into the international gold markets, helping people to understand the wealth preservation qualities of gold and its role in meeting the social and environmental needs of society.

The membership of the World Gold Council includes the world's leading and most forward thinking gold mining companies.



MEDIA ADVISORY



Embargoed for publication or distribution by wire until 19:30 EST, on 16th November 2016

Release of Thomson Reuters Interim Silver Market Review

Physical Deficit Persists Despite Softer Fundamentals

(November 16, 2016 – New York City) At the Annual Silver Industry Dinner hosted by the Silver Institute, Johann Wiebe, Senior Analyst in the GFMS team at Thomson Reuters presented the GFMS / Silver Institute Interim Silver Market Review, which includes provisional supply and demand forecasts for 2016. The following are highlights from the report.

The silver market is expected to be in an annual physical deficit of 52.2 Moz in 2016, marking the fourth consecutive year in which the market has realized an annual physical shortfall. While such deficits do not necessarily influence prices in the near term, multiple years of annual deficits can begin to apply upward pressure to prices in subsequent periods. This year, an expected 71.4 Moz net inflow into ETP holdings and a 61.9 Moz derivatives exchange inventory build on a year-to-date basis (end-October) have increased the impact of the physical deficit, bringing the net balance to -185.5 Moz, equivalent to approximately nine weeks of global demand. Above ground stocks, including ETP's and exchange inventories, are estimated to reach 2,640.1 Moz in 2016; a 15% increase from the previous year.

- Silver prices this year through 11th November averaged \$17.23/oz, which was 9.9% higher than in the same period in 2015. The GFMS team at Thomson Reuters forecasts silver prices to average \$17.15/oz for the full calendar year, a 9.4% increase over the 2015 average.
- Total silver supply is forecast to fall 3% to 1,012.4 Moz in 2016. The decline is expected to be driven by a 1% drop in mine production, a 0.3% fall in scrap supply and net de-hedging of 20.0 Moz. Mine production is forecast to reach 887.4 Moz this year, which is almost 6 Moz lower than 2015 and the second highest year of production on record. Healthy increases in primary silver mine production, particularly in Peru, are being partially offset by losses in silver output from lead/zinc and gold mines. Following four years of consecutive declines, scrap supply is contracting only marginally, 0.5 Moz compared to 2015, which is a marked change from the 29 Moz annual average decline recorded over the previous four years. Higher local silver prices have been contributing to the improved sentiment.
- Silver bullion coin and bar sales are expected to contract 24% to 222.0 Moz this year. Bullion silver coins are forecast to reach 122.7 Moz in 2016, which is 7.9% below last year's record of 133.2 Moz. The drop is unsurprising given the strong increase recorded in the prior year, when investors entered the market en masse to bargain hunt following the silver price decline during the second half of last year. Physical bar demand is expected to contract by 38% this year to 99.3 Moz. driven by a lackluster Chinese economy and weak consumer sentiment in North America. Demand in Europe, on the other hand, should improve by 14% reaching 14.5 Moz this year on the back of Brexit fears and a rising silver price. Physical bar and coin demand should account for 21% of physical demand in 2016, down from 25% in 2015 and up from just 5% ten years ago.
- Silver demand from the photovoltaics industry is forecast to increase by 11% to reach a record high of 83.3 Moz this year. The rise is driven by global solar installations, which should reach 70GW in 2016. China accounts for 70% of those additions in solar installations. Solar will make up 14% of total industrial demand this year, which is flat

compared to 2015, but significantly up from just 1% a decade ago. Silver demand from ethylene oxide producers is predicted to remain flat this year at 10.2 Moz, following a doubling of demand last year. Of the annual total, approximately 10% is replacement demand for existing capacity whereas the rest represents a 6% rise in capacity additions, such as the Sadara project in Saudi Arabia. All other industrial sectors are expected to record minor losses in silver consumption this year, guided by challenging economic backdrops in various countries and continued thrifting and miniaturization trends in various electronic applications. Total industrial demand for silver is forecast to decline by 1% to 585.1 Moz, accounting for 55% of physical demand in 2016.

The below table is a reduced form of the full “World Silver Supply and Demand” table featured in the World Silver Surveys:

WORLD SILVER SUPPLY AND DEMAND

(million ounces)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016f
Supply										
Mine Production	667.7	684.7	717.3	753.0	757.6	790.8	823.7	868.0	893.0	887.4
Other	222.6	223.8	199.4	322.1	285.8	215.8	165.2	185.1	153.3	125.0
Total Supply	890.3	908.6	916.7	1,075.2	1,043.3	1,006.6	988.9	1,053.0	1,046.4	1,012.4
Demand										
Jewelry & Silverware	242.5	236.0	230.1	241.6	235.1	229.1	276.6	284.7	289.1	257.6
Coins & Bars	54.9	190.1	89.2	144.5	208.3	159.6	241.9	236.5	292.4	222.0
Industrial Fabrication	661.0	656.8	541.5	649.0	676.3	615.0	619.1	611.2	588.9	585.1
Physical Demand	958.4	1,082.9	860.7	1,035.2	1,119.7	1,003.7	1,137.6	1,132.4	1,170.3	1,064.6
Physical Surplus/Deficit	-68.1	-174.3	56.0	40.0	-76.4	2.9	-148.7	-79.3	-124.0	-52.2
ETF Inventory Build*	54.8	101.3	156.9	129.5	-24.0	55.3	2.5	1.5	-17.7	71.4
Exchange Inventory Build**	21.5	-7.1	-15.3	-7.4	12.2	62.2	8.8	-5.3	12.6	61.9
Net Balance	-144.3	-268.5	-85.7	-82.0	-64.5	-114.6	-160.0	-75.5	-118.9	-185.5
Silver Price, \$ per oz.	13.38	14.99	14.67	20.19	35.12	31.15	23.79	19.08	15.68	17.15
*2016 through 31st October **2016 through 31st October										
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Ghana makes government certificate mandatory for exporting dore gold

The concern about entry of conflict dore gold (semi-pure gold) into India from Ghana for refining has been put to rest with the Ghana government making it mandatory to obtain certificate from its state-run Precious Metals and Marketing Corporation (PMMC) for any dore gold exports to the world markets.

The Economic Times



No proposal to restrict gold holding by individuals

The government is not considering any proposal to restrict holding of gold by individuals, a top finance ministry source said.

Following the demonetisation of 500 and 1,000 rupee notes in a bid to crack down on black money, there were apprehensions among people that the government might impose some kind of restrictions on gold holding by individuals.



The Hindu
Businessline

GJEPC: India's gold jewellery exports rose 19% in October

The Indian gold jewellery exports surged higher considerably by nearly 19% year-on-year to \$796.60 million (Rs. 5,317.30 Crore)



in October 2016. On the other hand, the country's silver jewellery exports declined sharply by more than 28% to \$ 190.58 million (Rs. 1,272.09 Crore). This is in accordance with the latest official monthly data released by the country's Gems and Jewellery Export Promotion Council (GJEPC).

The country's gold jewellery exports during the same month last year had totaled \$687.31 million (Rs. 4,471.67 Crore). The silver jewellery exports during October 2015 had amounted to \$273.66 million (Rs. 1,780.43 Crore).

Job cuts loom in jewellery industry

Jewellers are planning job cuts to reduce their fixed costs following a decline in business due to demonetisation.

Jewellers estimate an 80 per cent decline in business since the cancellation of Rs 500 and Rs 1,000 currency notes on November 8. Despite this being the wedding season, which usually sees a spike in jewellery sales, the liquidity crisis has hit jewellers' business.

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India's jewellery industry is estimated at Rs 4,15,000 crore. The industry employs 2.5-3 million workers. A joint study by the National Skill Development Corporation and KPMG estimated in 2015 that the sector would create 3.59 million additional jobs by 2022.

The Business Standard

Gold bonds worth 14 tons sold in six tranches: Govt

Issue	Issued date	Issue Price (Rs.)	Total number of applications received	Collected amount (Rs. Cr)	Worth of Gold in Kg
1 st Tranche	26-Nov-2015	2684	63,000	246	917
2 nd Tranche	08-Feb-2016	2600	3.16.000	746	2790
3 rd Tranche	29-Mar-2016	2916	64,000	329	1,128
4 th Tranche	5-Aug-2016	3119	1,95,000	919	2,950
5 th Tranche	30-Sept-2016	3,150	2,00,000	820	2,370
6 th Tranche	Nov-17	2957		1157	3916
Total					14071

Source Bullion Bulletin and RBI



Demonetisation to aid gold sales, says KJF

Kerala Jewellers Federation (KJF) has said that the demonetisation of `500, and `1000 currency notes could make some short term confusion, leading to drop in gold sales

"But, I believe, it is going to benefit the gold business in the long-run. More and more people will opt for gold as the internal hard currency and invest ideally 15 per cent of their wealth. We wholeheartedly welcome the bold move by the Prime Minister. The genuine customers will continue to buy gold", M.P.Ahamed, general secretary, KJF said

The Hindu
Businessline



India needs its own gold standards for GMS to succeed

There is hope that an agreement signed between the Government of India Mint, Council of Scientific & Industrial Research (CSIR) and Bhabha Atomic Research Centre (BARC) last week will help push the GMS ahead.

James Jose, secretary, Association of Gold Refineries and Mints, said, "India Government Mint developing a standard reference material (CRM) for gold in collaboration with BARC and CSIR is heartening, and this will help the gold testing labs attached to hallmarking centres and gold refineries to accurately fine tune and calibrate their fire assay results. So far, such CRMs were sourced from NIST (National Institute of Standards and Technology) USA and LBMA (London bullion market) approved agencies."

Somasundaram PR, managing director (India), World Gold Council, said, "Banks need to be given more time as the scheme requires a change in mindset. There are some logistic complexities also. Banks should also be allowed to buyback gold coins they sell, which will help them in bringing back gold which had been sold earlier and make it available for lending to jewellers."

The Business Standard





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नोटबंदी का ज्वैलरी बाजार पर असर

श्री सुनील विधाते

देश में 1000 रुपये व 500 रुपये के नोट को बंद करने का प्रभाव पूरे देश की अर्थव्यवस्था पर देखने पर मिल रहा है। इस कदम से देश पर होने वाले प्रभाव के रूप में बैंकों के बाहर लगी लंबी लाइनों के दृश्य से समझा जा सकता है। बैंकिंग क्षेत्र को हालांकि इस इस कदम से अचानक दबाव तो झेलना पड़ रहा है लेकिन ये काफी अच्छा कार्य कर रहे हैं। साथ ही कई दिलचस्प खबरें भी देखने को मिल रही हैं कि बैंकों की सहयोगी संस्थाएँ जैसे कि कैश प्रबंधन कंपनियाँ किस प्रकार से मात्रा व समय में अचानक हुये परिवर्तन को कार्यान्वित कर पाते हैं।

हालांकि ये सभी तत्काल क्रिया से होने वाले अस्थायी प्रभाव हैं लेकिन नोटबंदी का अर्थव्यवस्था के सभी क्षेत्रों में लंबी अवधि स्थायी तरह के दौरान प्रभाव पड़ना तो स्वाभाविक है। हाँ, इससे कुछ तत्काल बेहतर प्रभाव भी होंगे जैसे कि अधोषित संपत्ति का खुलासा होना जो कि असमाजिक गतिविधियों को बढ़ावा देने के लिहाज से किया जा सकता था। ऐसे सुरक्षात्मक प्रभावों के अलावा नोटबंदी से व्यापारिक प्रक्रियाओं में बेहतरी भी आयेगी।

प्रत्येक उद्योग तथा व्यापार की अपनी भिन्न प्रक्रिया होती है। ज्वैलरी क्षेत्र भी

इससे अछूता नहीं है। वास्तविकता में इस क्षेत्र की कुछ विशेष भिन्न प्रक्रिया है जो कि अन्य क्षेत्रों में देखने को नहीं मिलती है।

ज्वैलरी निर्माण व व्यापार क्षेत्र काफी तेजी के साथ अन्य क्षेत्रों के मुकाबले व्यापारिक लेनदेन के मामले में अधिक पेशेवर व पारदर्शी बन गया है। एक ज्वैलरी निर्माता जो कि पहले पारंपरिक रूप से एक दुकान के माध्यम से ही निर्माता व विक्रेता का कार्य करते थे अब वे बदल कर मल्टी-स्टोर्स चैन बन रहे हैं जो कि एक कंपनी निकाय के द्वारा प्रबंध की जाती है। इस तरह से ज्यादातर लेनदेन गैर-नगद के रूप में विभिन्न बैंकिंग माध्यमों से की जाती है। ज्वैलरी क्षेत्र के बड़े व्यवसायी इस पारदर्शी तथा सुगठित भुगतान प्रक्रिया को पहले ही अपना चुके हैं।

यह प्रक्रिया हालांकि अंतिम लेनदेन के लिहाज से काफी कुछ सही है लेकिन निर्माण व व्यापार के भाग में पूर्णतः सत्य नहीं है। अन्य निर्माण उद्योग के भांति ही ज्वलरी उद्योग की एक प्रक्रिया है- जो डोरे की खरीदी से शुरू होती है (काच्चे माल) फिर रिफायनिंग व इसके बाद उपभोक्ता की आवश्यकतानुसार इसे ज्वैलरी, सिक्के या अन्य रूप में निर्मित



करने तक जारी रहती है। इस पूरी प्रक्रिया में हर कड़ी के अंत में मूल्यवान वस्तु एक हाथ से दूसरे हाथ में जाती है।

ज्वैलरी निर्माण व व्यापार क्षेत्र के कंपनी के रूप में परिवर्तन से अधिक से अधिक पेशेवर इसमें जुड़ रहे हैं जिसमें पेशेवर परिवहनकर्ता कंपनियां अपनी अहम भूमिका निभा रही है और कुछ तो मूल्यवान वस्तुओं के परिवहन तथा भंडारण विशेष की ही सेवा प्रदान कर रही है। इस क्षेत्र का कंपनीकरण होना भी बढ़ते वैश्वीकरण का एक प्रमुख कारण है। पूरे हवाई कार्गो प्रक्रियाओं में इस क्षेत्र का योगदान अब तेजी से बढ़ रहा है। ऐसे सामानों के परिवहन के लिये हवाई कंपनियां विशेष भाग "वेलकार्गो" का निर्माण कर रही हैं। इस पूरे प्रक्रिया में बढ़ती जोखिम प्रबंधन प्रक्रिया में अब कमी आयी है। इसलिये ज्वैलरी उद्योग को इस पेशेवर लॉजिस्टिक्स या परिवहन सेवा क्षेत्र का उपयोग करना चाहिये क्योंकि यह भौतिक व व्यक्ति जोखिम को खत्म करता है।

इस प्रक्रिया में एक चेन से दूसरे चेन में माल के हस्तान्तरण में भुगतान भी एक अनिवार्य क्रिया होती है। तथा नगद भुगतान के हस्तान्तरण की इस क्रिया में अधिकतर गैर-कंपनी व्यक्तिगत लोग शामिल होते हैं। ज्वैलरी क्षेत्र के बड़े व्यापारी इस प्रक्रिया को भी पेशेवर परिवहनकर्ता कंपनी के साथ मिलकर करते हैं। इनका यह प्रयास नोटबंदी की प्रक्रिया को बढ़ायेगा।

ऐसे विशेषज्ञ सेवा तथा कार्गो प्रदाता कंपनियां इस अवसर का लाभ उठाने के लिये अपने अवसंरचनाओं के विकास की दिशा में भी कदम उठाएंगी। ज्वैलरी क्षेत्र अपने माल व रकम के तेज व सुरक्षित हस्तान्तरण के लिये कार्पोरेट लाजिस्टिक्स सेवा का अधिक उपयोग करेंगी। इस दौरान जोखिम प्रबंधन तथा जोखिम नियंत्रण को और मजबूत बनाने के लिये प्राकृतिक रूप से उम्मीद बढ़ेगी। इन लाजिस्टिक कंपनियों को अवसंरचनाओं में निवेश के लिये योजना बनाने में उन्हें मिलने वाले व्यवसाय की मात्रा सहयोग प्रदान करेगी।

अलायन्स इन्श्योरेंस ब्रोकर ज्वैलरी तथा निर्माण तथा व्यापार के क्षेत्र में जोखिम तथा बीमा प्रदान करने वाली एक अग्रणी संस्था है। अलायन्स टीम में दो विशेष दल हैं, एक ज्वैलरी निर्माण उद्योग को जोखिम प्रबंधन तथा जोखिम हस्तान्तरण की सेवा प्रदान करता है तथा दूसरा जोखिम हस्तान्तरण की सुविधा वेलकार्गो कंपनियों को प्रदान करता है। पूरे वर्ष भर अलायन्स रोड शो के माध्यम से भारत में इस क्षेत्र के पेशेवरों के साथ जुड़े रहता है। जैसा हमने पहले कहा है कि नगद के हस्तान्तरण तथा भंडारण सेवा की मांग में नोटबंदी के कारण रातों रात वृद्धि हुई है। बैंक से एटीएम की सामान्य गतिविधि भी बढ़ी है; इसके अलावा नोटबंदी में प्राप्त नोटों को भी स्थानान्तरिक करना होगा; एक हजार के एक नोट का दो हजार मूल्य के नोट में बदलने से उतने ही मात्रा

में नोटों का मूल्य भी बढ़ जायेगा जिससे कि सेवा का जोखिम भी बढ़ेगा।

टीम अलायन्स २४ ड ७ कार्य करता है तथा इसने नगद प्रबंधन कंपनियों को अचानक मांग बढ़ने की स्थिति में सभी जरूरी सहयोग प्रदान किया है। इस दौरान कई बार हैंडलिंग क्षमता तीन गुनी तक बढ़ गयी है। इसके अलावा हम ज्वैलरी निर्माण व व्यापार क्षेत्र पर होने वाले संभावित प्रभावों के बारे में भी अध्ययन कर रहे हैं। हमारा उद्देश्य इस क्षेत्र को आने वाले समय में जब बाजार पुनः अपनी सामान्य स्थिति में लौटेगा तब उस दौरान के लिये आवश्यक तैयारियों से लेस रहना है।

इसके लेखक अलायन्स इन्श्योरेंस ब्रोकर्स प्रा लि में हेड-बुलियन व सिक्वोर्ड लॉजिस्टिक्स के रूप में कार्यरत हैं, इनका ईमेल है:- Sunil@allianceinsurance.in



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Bullion - Data & Statistics

Gold Spot Market, International (Per Troy Ounce)			
Spot gold	1 st Nov	29 th Nov	% Change
Australia (AUD)	1684.44	1588.21	-0.06
Britain (GBP)	1052.37	951.59	-0.10
Canada (CAD)	1724.80	1596.58	-0.08
Europe (Euro)	1164.81	1116.33	-0.04
Japan (Yen)	134034.80	133691.40	0.00
Switzerland (CHF)	1255.88	1202.61	-0.04
USA (USD)	1287.70	1188.74	-0.08

Silver Spot Market, International (Per Troy Ounce)			
Spot Silver	01 st Nov	29 th Nov	% Change
Australia (AUD)	24.00	22.22	-0.08
Britain (GBP)	14.98	13.30	-0.12
Canada (CAD)	24.57	22.34	-0.10
Europe (Euro)	16.59	15.61	-0.06
Japan (Yen)	1909.81	1872.35	-0.02
Switzerland (CHF)	17.89	16.82	-0.06
USA (USD)	18.34	16.64	-0.10

Monthly Exchange Data (Gold) (From Nov 01-29)						
Exchange	Commodity	Open	High	Low	Close	% Ch.
COMEX ²	Gold Feb'17	1293.90	1341.00	1172.80	1190.80	-0.07
MCX ¹	Gold Feb'17	29975.00	31299.00	28360.00	28606.00	-0.04
NCDEX HEDGE ¹	Gold Jan'17	27915.00	28337.00	26329.00	26375.00	-0.04
TOCOM ³	Gold Feb'17	4299.00	4392.00	4190.00	4284.00	0.003

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

Monthly Exchange Data (Silver) (From Nov 01-29)						
Exchange	Commodity	Open	High	Low	Close	% Ch.
COMEX ²	Silver Mar'17	18.52	19.12	16.25	16.74	-0.06
MCX ¹	Silver Mar'17	42989.00	45299.00	40442.00	41520.00	-0.04
TOCOM ³	Silver Feb'17	60.00	64.10	58.50	58.50	-0.03

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

Gold Spot Market, India			Rs/10gm
Spot Gold	1 st Nov	29 th Nov	% chg
Ahmedabad	30049.00	28891.00	-0.04
Bangalore	30530.00	29090.00	-0.05
Chennai	30650.00	30180.00	-0.02
Delhi	30950.00	29450.00	-0.05
Mumbai	31650.00	30390.00	-0.04
Hyderabad	30670.00	30160.00	-0.02
Kolkata	31350.00	29940.00	-0.05

Currency Change (Monthly)		
	1 st Nov	29 th Nov
EUR/USD	1.1056	1.065
USD/AUD	1.3068	1.3362
USD/GBP	1.2243	1.249
USD/INR	66.72	68.65
USD/JPY	104.16	112.39

Silver Spot Market, India			Rs/kg
Spot Silver	01 st Nov	29 th Nov	% chg
Mumbai	42880.00	41410.00	-0.03

Bullion - Data & Statistics

LBMA Gold & Silver Price (Per Troy Ounce)										
GOLD AM			GOLD PM			SILVER				
DATE	USDAM	GBPAM	EURAM	USDPM	GBPPM	EURPM	DATE	USDPM	GBPPM	EURAM
11/01/2016	1284.40	1048.58	1167.52	1288.45	1053.69	1167.34	11/01/2016	18.24	14.91	16.54
11/02/2016	1295.85	1056.51	1169.76	1303.75	1060.08	1173.64	11/02/2016	18.54	15.05	16.70
11/03/2016	1293.00	1040.61	1165.90	1301.00	1045.48	1173.76	11/03/2016	18.07	14.50	16.32
11/04/2016	1301.70	1042.79	1172.57	1302.80	1039.90	1172.13	11/04/2016	18.30	14.65	16.48
11/07/2016	1286.80	1036.13	1162.50	1283.05	1035.29	1161.16	11/07/2016	18.22	14.67	16.47
11/08/2016	1284.00	1034.26	1162.02	1282.35	1036.01	1160.66	11/08/2016	18.26	14.72	16.54
11/09/2016	1304.55	1050.42	1176.84	1281.40	1035.12	1170.05	11/09/2016	18.31	15.12	16.96
11/10/2016	1280.90	1034.07	1175.48	1267.50	1015.65	1166.10	11/10/2016	18.75	15.11	17.20
11/11/2016	1255.65	991.96	1154.45	1236.45	979.39	1137.16	11/11/2016	18.59	14.34	17.09
11/14/2016	1222.60	978.08	1136.53	1213.60	972.94	1132.90	11/14/2016	17.20	13.73	15.95
11/15/2016	1228.90	988.65	1138.70	1226.95	990.15	1144.13	11/15/2016	17.00	13.68	15.80
11/16/2016	1225.70	984.36	1144.68	1229.20	987.91	1148.20	11/16/2016	16.95	13.64	15.85
11/17/2016	1232.00	988.19	1148.10	1226.75	985.57	1147.75	11/17/2016	17.04	13.65	15.87
11/18/2016	1206.10	971.15	1135.54	1211.00	981.27	1142.70	11/18/2016	16.51	13.30	15.54
11/21/2016	1214.95	984.72	1143.39	1214.25	972.98	1142.73	11/21/2016	16.68	13.47	15.69
11/22/2016	1217.55	978.91	1144.98	1212.25	975.38	1141.82	11/22/2016	16.76	13.46	15.77
11/23/2016	1213.25	980.06	1143.00	1185.35	957.29	1123.47	11/23/2016	16.56	13.36	15.59
11/24/2016	1187.25	953.60	1125.04	1186.10	950.30	1121.46	11/24/2016	16.31	13.09	15.43
11/25/2016	1187.50	953.33	1121.83	1187.70	955.39	1120.00	11/25/2016	16.47	13.21	15.55
11/28/2016	1189.10	956.51	1117.99	1187.00	956.60	1121.24	11/28/2016	16.68	13.45	15.73
11/29/2016	1187.30	952.45	1119.98	1186.55	949.83	1119.51	11/29/2016	16.54	13.26	15.61

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