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BullionWorld

World of Bullion Research

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Working together, on principles.
Isi Mey Faida Hai.

Principles – they're tough to follow – but only when we're asked to do it alone. If we follow them together, principles become richer. They transform into tradition, create culture. And in the long run, they benefit everyone, and every business.

Introducing **Seven Retail Gold Investment Principles,** for the industry, by the industry; that we must follow together.

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Swarna Adarsh Abhiyaan

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EDITORIAL

Dear Readers,

Deepawali 2022 was truly glittering for the Indian retail jewellery industry. The value of gold jewellery sales during this Dhanteeras is estimated to be close to INR 25,000 crore (USD 3 billion). The retailers had targeted customers through a slew of promotional offers and marketing campaigns which have yielded results. Of the overall sales, it is estimated that 20% was bullion in the form of coins and the rest 80% jewellery. Within the jewellery segment, 15% to 20% is contributed by diamond jewellery and the rest by pure gold jewellery.

On the consumer preference on platforms which are gradually gaining momentum, consumer preference interests are limited to lightweight jewellery and gold coins. At the same time, occasional and festival buying, where 'Touch and Feel' experience matters, a lot to consumers prefer brick-and-mortar retail formats.

Apart from displaying traditional bridal jewellery, retail jewellers have stocked a sizable inventory of lightweight jewellery to meet the growing appetite of new-age customers. There has been a significant rebound in customer sentiments from Tier 2 and Tier 3 cities. A significant fall in gold prices has also created a rush for jewellery amongst jewellery buyers. Retailers have witnessed a comeback of customers who have deferred jewellery purchases since covid.

The USD 60 billion Aditya Birla group is set to launch a separate business venture for branded jewellery involving large-format exclusive jewellery retail stores, in-house jewellery brands across daily-wear and premium price points and tie-up with mid-sized jewellers. Perhaps the group aims to take advantage of the growing organised retail jewellery business and increase customer preference for quality and trust.

This edition of Bullion World features the article Facilitating Gems and Jewellery Exports from Indian SEZ's from Indian Council for Research on International Economic Relations (ICRIER). The article titled, Towards an LBMA Good Delivery List for Artisanal and Small-Scale Responsibly Mined Gold by LBMA details how LBMA has long supported the formalisation and legitimation of the global artisanal mining sector. On tech-enabled products, Mr Gaurav Mathur, Founder and Managing Director, SafeGold, details how the organisation is working to increase the use case of digital gold. Abstract of World Gold Council report on Gold Demand Trends for Q3, 2022 indicates regaining consumer confidence in gold. Leading domestic bullion refiner Augmont through its article titled Opportunity for organised "Sell Old Gold" branches in India, talks about the potential and challenges in the Old Gold business.

Do you have any exciting stories to share? Please write to us at editor@bullionworld.in. It can be in the Indian or global precious metals and jewellery industry.

Best wishes,
G Srivatsava
Editor

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Rise and Shine: Facilitating Gems and Jewellery exports from Indian SEZs

Mrs Arpita Mukherjee, Dr Nida Rahman and Ms Eshana Mukherjee[1]

This article examines the implication of DESH Bill (2022) for gems and jewellery units located in Indian SEZs and lays down recommendations to enhance exports from Indian SEZs.

India is a key exporter of gems and jewellery products. In 2021, India's exports of gems and jewellery stood at USD 38.15 billion, recording an annual growth of around 56 percent from FY 2020. In FY 2021 vis-a-vis FY 2020, India's exports climbed up in new product categories such as coloured gemstones and lab-grown diamonds. India is the top exporter of cut and polished diamonds and ranks 2nd in gold and silver jewellery exports. The sector meets a large part of its raw material requirement, such as raw gold and rough diamonds, from imports.

Globally, many countries have harnessed Special Economic Zones (SEZs) in their export promotion strategies. India set up its first Export Processing Zone (EPZ) in Kandla, Gujarat, in 1965. As of November, 2021, there were around 5604 units in Indian SEZs, contributing around 35 percent to India's total exports, and generating employment for 25,60,286 persons. Around 500 gems and jewellery units had located in the Special Economic Zones (SEZ), primarily motivated by 3 benefits offered in an SEZ; (i) zero duty imports, (ii) better infrastructure and ease of doing business, and (iii) availability of fiscal and non-fiscal benefits. Gems and jewellery units are located in both multi-product and single-product SEZs. There are four single-product gems and jewellery SEZs, whereas 25 multi-product-operational SEZs, such as Santacruz Electronics Export Processing Zone (SEEPZ) (Mumbai, Maharashtra) have gems and jewellery units.
The single-product SEZs include Manikanchan in Kolkata, West Bengal; Surat SEZ in Surat, Gujarat, Hyderabad Gems SEZ Limited in Hyderabad, Telangana, and Jaipur Special Economic Zone, Sitapur, Jaipur, Rajasthan. Exports from SEZs was around 30 percent of the total gems and jewellery exports in 2019-2020.

However, lately, the gems and jewellery units in Indian SEZs are facing an uncertain operational environment as the export-linked subsidies offered under the Indian SEZ regulation have come under the scanner for non-compliance with the WTO's Agreement on Subsidies and Countervailing Measures (ASCM). The United States of America (USA) challenged a number of Indian export promotion schemes, including the incentives given to SEZ units conditional upon the unit being a net foreign exchange earner as an export linked prohibited subsidy, in the WTO and won the case in 2019. Therefore, the SEZ units are in an unfavourable situation where (1) the fiscal incentives have to be phased out in agreement with the WTO ASCM and (2) other countries like China, Turkey, etc. are supporting their SEZs with a competitive package of WTO compliant subsidies and non-fiscal incentives like reverse job work, which are not available to the Indian SEZs. The share of exports from SEZs to total exports declined to 17.7 percent in 2021-22.

To become WTO compliant, Indian SEZs need to redesign its incentive package. The fiscal incentives should not be a drain on the government budget and the benefits of the incentives, such as growth in exports, must outweigh the costs associated with the incentives. While designing the incentives, it is also pertinent to see that the incentives doesn't become the sole reason for the firms to re-locate from Domestic Tariff Area (DTA) to SEZs and vice versa. Given these complexities and given that both Centre and states offer multiple incentives, we conducted an online pilot survey covering 14 SEZs units, 19 DTA retailers and 5 DTA manufacturers (total 38 online survey respondents) and 4 stakeholders' consultations to examine the present status of gems and jewellery units in the Indian SEZs, the issues faced by them and suggests a way forward.

Gems and jewellery units in the Indian SEZs are operating under an uncertain policy environment vis-à-vis their counterparts in other gems and jewellery exporting countries such as Turkey China, Philippines, Canada, etc. Some of these countries not only have lower logistics costs, but also provide more non-fiscal incentives like reverse job work, which has improved their firms' global competitiveness.

Mrs Arpita Mukherjee
Professor, ICRIER

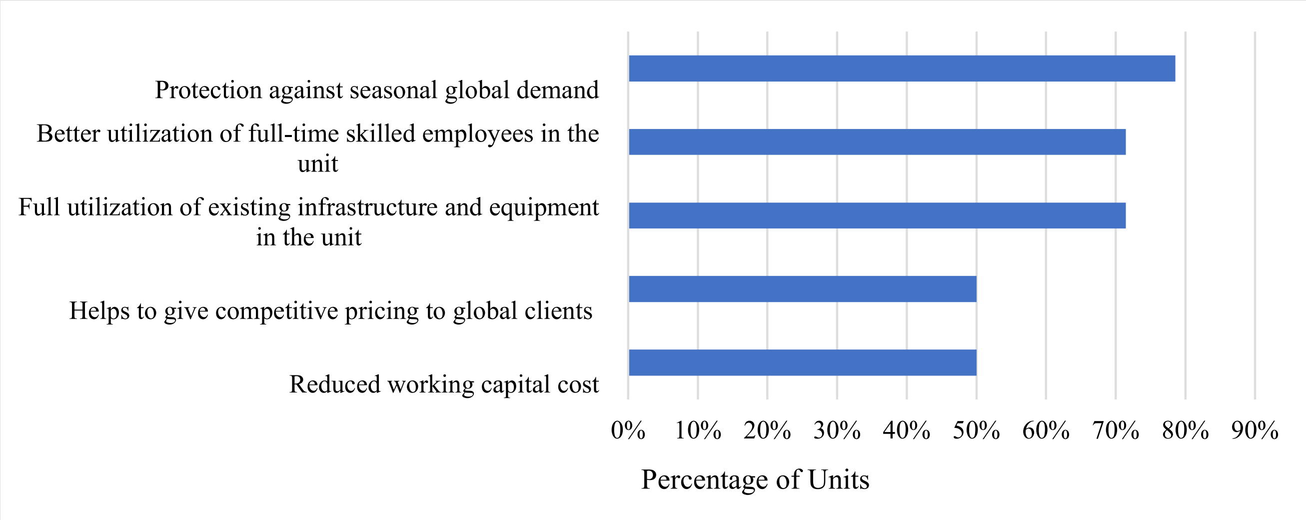
Dr Nida Rahman
Consultant, ICRIER

Ms Eshana Mukherjee
Research Associate, ICRIER

Key Findings from the Pilot Survey

The survey found that the gems and jewellery units in the Indian SEZs are operating under an uncertain policy environment vis-à-vis their counterparts in other gems and jewellery exporting countries such as Turkey, China, Philippines, Canada, etc. Some of these countries not only have lower logistics costs, but also provide more non-fiscal incentives like reverse job work, which has improved their firms' global competitiveness. Reverse job work allows the SEZ units to do job work for the DTA retailers and manufacturers during the period when the export demand is low. This helps the firms to mitigate risk related to seasonality of export demand and these firms can replace the demand for imported goods in the DTA. Given that the primary role of the firms in SEZ is to export, countries like Turkey allow reverse job work subject to certain terms and conditions, like payment of appropriate taxes and duties. Another issue for firms in SEZ is that they export products like heavy handcrafted gold jewellery and cut and polished diamonds, the export of which grew marginally, at around 1 percent and 0.7 percent, respectively. However, exports of new product categories such as lab-grown diamonds picked up steam by growing at a Compound Annual Growth Rate (CAGR) of 48 percent. Thus, there is a need for firms to move into newer products and within each product category like gold jewellery towards segment like light weight gold jewellery, which will need technology and innovation. Turkey has swayed the global market in light weight jewellery exports. Our survey found that investment in Research and Development (R&D), advanced technology and skilling of workforce is low in the gems and jewellery units of Indian SEZs. Of the total 14 gems and jewellery SEZ units, only 4 reported to have made such investment. Foreign Direct Investment (FDI) in gems and jewellery units of Indian SEZs is negligible. There are limited training programmes and modules to upgrade skills in use of modern technology and there are issues related to lack of funding, gaps in technical training and quality of training. All the surveyed SEZ units felt the need for WTO compliant fiscal incentives. To make the incentives WTO compliant, incentives may be given on services used by the units like training or software. Since the WTO has no discipline on subsidies in services, and services is a key component of the cost, fiscal incentives can be directed towards services used in manufacturing. Along with this, non-fiscal incentive such as allowing the SEZ units to cater to the domestic demand or DTA (reverse job work) will be a positive step in improving the productivity, efficiency and enhancing the ease of doing business in the sector (see Figure 1). There will be more value addition and job creation in the country and it will allow SEZ units to serve customers better by maintaining international standards in manufacturing, as more skilled workers and tools and technology are available with the SEZs. It will increase the profitability of firms in SEZs.

Figure 1: Benefits of Allowing Reverse Job Work



Source: Pilot Survey of SEZ Units

> As the SEZ units await a new and robust policy, it is important to recognize the need to modernise the gems and jewellery sector, invest in R&D, innovation and upgrade skills. Incentives can be smartly designed to link to these criterions. There is scope for collaboration between business and government in areas such as capability building and training and brand building

Issues Faced by the Gems and Jewellery Units in SEZ

The issues faced by the units in SEZs ranged from global issues such as Russia-Ukraine war, rising inflation, slowdown in importing countries, which the DTA units also face to SEZ-specific issues such as the withdrawal of fiscal incentives, limited non-fiscal incentives and uncertainty surrounding the future of SEZ policy and concerns around the new DESH (Development of Enterprise and Services Hubs) Bill, 2022. The survey identified following core barriers:

1. Policy Uncertainty and Gaps in the DESH Bill

Both the SEZ and DTA units find the evolving new SEZ policy, i.e., the DESH Bill (2022) ambiguous and uncertain. The DESH Bill (2022) was expected to be tabled in the monsoon session of the Parliament. It was postponed and is now likely to be discussed in the winter session. The ambiguity surrounding the DESH Bill (2022) is on the type of fiscal and non-fiscal incentives it will provide to the units, the conditions that are required to be met to get the incentives, the terms and conditions applicable to sell to the DTA. There is need for definitional clarity on terms like reverse job work and manufacturing services and align such definition with the globally applicable definition. While there is no global definition of reverse job work, according to the United Nation Central Product Classification (UNCPC) Version 2.1 Code 886, basic metal manufacturing services includes outsourcing portion of a manufacturing process or completely outsourced manufacturing process. Since it covers manufacturing services only, the output is not owned by the unit providing this service. The value of the service is based on service fee paid, not the value of the goods manufactured. Such services can be given fiscal subsidy in the current WTO framework as there is no discipline on subsidies in services.

At the same time, the SEZ units have welcomed the broad intention of the government to delink export conditions for giving incentives and allowing reverse job work under the proposed DESH Bill 2022. Some firms raised concerns that if the policy is not aligning with other policies and incentives given in DTA there can be relocation of firms from DTA to Development hubs, only to avail the fiscal and non-fiscal benefits.

2. Strong Competition from Other Countries

SEZ units in India are facing increasing competition from gems and jewellery units in other countries like China and Turkey, in terms of price, quality and designs. Turkey is gradually taking over in light weight gold jewellery segment. The competition is due to a mix of technology and innovation, better utilization of existing resource and ability to offer competitive prices, lower cost of production and policies such as allowing reverse job work, allowing an efficient utilization of labour and equipment. Reverse job work policy in such countries also led to scale expansion.

3. Seasonality of Exports

Due to the seasonality in the demand in the export market, the labour and equipment capacity in SEZs is not optimally utilized. Since exports from SEZs is completely dependent on cyclical global demand, this seasonality hampers SEZs prospects, particularly in the times of uncertainties emerging from global shocks such as the COVID-19 pandemic, the Russia-Ukraine war, etc.

4. Limited Non-Fiscal Incentives

In general, Indian SEZs have much less non-fiscal incentives compared to their counterparts in many developing countries. As the SEZs are not allowed to sell in the domestic market, their skilled permanent workforce and state-of-art-facilities remain underutilised during periods of low export demand. This increases the cost of operation and makes Indian units less competitive compared to units from countries like China and Turkey, which have allowed their SEZs to cater to the foreign as well as domestic markets. Also, they avail incentives like fast-track patenting, common user facilities, single-window fast track clearances in many global SEZs, which firms in India do not get. Logistics costs is also much higher in India, with many restrictions on carrying gems and jewellery through the express cargo mode. After the survey, the government is now trying to ease this restriction on the express mode.

5. SEZs versus FTA and DTA Issues

The SEZs are given the benefit of zero duty imports but with signing of the trade agreements, imports from FTA partner countries can also be at zero duty. At the same time, units in Indian SEZs face high input costs linked to high logistics costs and cost of inputs like electricity. If units in SEZs are not allowed to cater to the DTA, these units are at a disadvantage vis-a-vis units from countries with whom India has zero import duties and from whom India source raw materials and final products for the domestic market. At the same time, incentives are also given to firms in DTA. The SEZ units do not know what kind of incentives will be applicable to firms in DTA, which can be given by the centre and/or the states. For example, through the forthcoming Foreign Trade Policy, DTA firms may get better fiscal incentives, than firms located in the SEZ.

6. Limited Government led Skill Development and Training Programmes

The survey participants pointed towards skill shortages in this sector, need for skill upgradation and limited government participation and collaboration with the private sector and other stakeholders in imparting training for skill development.

7. Low Ease of Doing Business

The SEZs suffer from certain problems which undermine the ease of doing business. Redundant procedures, duplication of paperwork, cumbersome tax filing process and difficulty in receiving Hallmark Unique Identification (HUID) number are some problems faced by the SEZ units. There is a lack of integration of SEZ online system with ICEGATE leading to inefficiencies in the SEZs. Some SEZ units pointed the complicated exit process in the SEZs which involves approval from multiple authorities at the Centre and state levels making it lengthy vis-à-vis other countries such as Philippines and Indonesia.

8. Impact of Covid-19 pandemic and Other Issues

The gems and jewellery sector operates in the processing stage of the value chain. The sector is import dependent for raw material. Due to the Covid-19 pandemic and subsequent lockdown, the sector faced severe disruptions in availability of raw material, logistical and transport disruptions. High GST rates, low demand and increasing gold rates were some issues before the pandemic struck. Around 79 percent retailers observed a decline in domestic demand for jewellery during the pandemic. Labour shortage also heightened during the pandemic.

Way Forward

The gems and jewellery sector is facing a number of issues ranging from policy uncertainty, to seasonality of exports and supply chain disruption to limited non-fiscal incentives, limited inflow of FDI, limited investment in R&D, innovation and training, etc. In view of these issues, and the need to formulate a holistic policy towards this sector including WTO compliant incentives, the Government of India is coming up with the DESH Bill (2022). While this bill is likely to introduce non-fiscal incentives such as reverse job work to the SEZ units and enhance the ease of entry and exit for investors, the policy needs to have clarity on (a) the kind of WTO compliant fiscal incentives that can be provided to the units in Development hubs and how these compare with the benefits offered in the DTA (b) the performance criteria and its measurement, against which the fiscal incentives may be given to the units. Several performance indicators mentioned in the draft DESH Bill (2022), such as integration with the global supply and value chains or additional economic activity, are difficult to measure. There is need for a robust SEZ policy which clearly mentions quantifiable performance indicators and eliminates difficult to measure performance indicators. There is also a need to clearly define terms like reverse job work and manufacturing services, so that incentives can be WTO compliant.

There is also a need to examine what kind of fiscal incentives are offered by competing countries. As the SEZ units await a new and robust policy, it is important to recognize the need to modernise the gems and jewellery sector, invest in R&D, innovation and upgrade skills. Incentives can be smartly designed to link to these criterions. There is scope for collaboration between business and government in areas such as capability building and training and brand building. Globally, some of the prominent gems and jewellery exporting countries are offering non-fiscal incentives like reverse job work to the units. In India too, non-fiscal incentives like reverse job work can help to address some of the concerns faced by firms in SEZs including seasonality of demand, but such incentives need to take into account three factors (a) they should not lead to relocation of firm from DTA simply to claim the incentives (b) there should not be adverse impact on revenue and employment in DTA and (c) it should be aligned with the overall objective of creating the export zones, which is promoting exports. ■■■

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[2]Available at **https://comtrade.un.org/data/** (last accessed October 15, 2022)

[3]Available at **https://comtrade.un.org/data**(last accessed August 03, 2022)

[4]Source: India's Special Economic Zones: A Primer **https://www.india-briefing.com/news/guide-indias-special-economic-zones-9162.html/#:~:text=As%20per%20data%20from%20the%20Ministry%20of%20Commerce,shown%20below.%20Location%20of%20the%20above%20seven%20SEZs%3A** (last accessed September 07, 2022)

[5]Source: **https://www.tpci.in/indiabusinesstrade/blogs/sezs-the-backbone-of-indian-gems-jewellery-exports/** (last accessed August 11, 2022). The number of gems in jewellery units in SEZs have reduced significantly in the past 5 years.

[6]For details, refer India- Export Related Measures **https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/WT/DS/541-7.pdf&Open=True https://www.wto.org/english/tratop_e/dispu_e/cases_e/1pagesum_e/ds541sum_e.pdf** (last accessed October 15, 2022)

[7]There is no official definition for reverse job work. Broadly, reverse job work refers to allowing the SEZ units to cater to the domestic market, i.e., DTA.

[8]Domestic Tariff Area (DTA) refers to the whole of India (including the territorial water and continental shelf) but does not include the areas of the Special Economic Zones.

[9]For details, refer **https://unstats.un.org/unsd/classifications/Econ/Structure/Detail/en/1074/88** (last accessed October 17, 2022)

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Developing gold and silver as an asset class. Investment in smaller denomination contracts backed with delivery is witnessing an increasing interest from retail participants.

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- Inventory hedging amid volatile prices

Opportunity for organised “Sell Old Gold” branches in India

Mr David George Mampilly, Head – Gold Recycling Business, Augmont - Gold For All

Augmont- Gold For all, offers a modern scientific machine for testing, and melting, professionally skilled employees to ensure transactions with 100% accuracy and transparency to improve customer experience

Gold has been the safest and consumer's most preferred investment option in India for years. Indian consumers purchase gold in form of jewellery, coins, and other assets. India is one of the largest importers of gold in the world. The import of gold by India has been rising irrespective of increasing prices. The “Sell Old gold” movement is in line with the strategic decision laid down by the government of India to curb the dependency on large gold imports.

In India, currently, the old gold purchase is majorly done by unorganized sector without proper transparency and standardization. Jewellers facilitate the purchase of old gold from customers predominantly through exchange against purchase of new gold. However, in India, we have a limited dedicated standardized collection centre wherein consumers and jewellers can sell old gold transparently.

We at Augmont- Gold For all, unlike other unorganized gold recycling businesses in the country, offer dedicated branches with a modern scientific machine for testing, and melting and professionally skilled employees to ensure transactions with 100% accuracy and transparency to improve customer experience thereby attracting more customers and jewellers for selling gold conveniently. The objective of dedicated branches is to provide more attention to address customer queries on selling gold as well as help jewellers to focus more on selling new gold jewellery/coins/bars rather than buying old gold.

India has emerged as the fourth largest gold recycling country in the world. India’s capacity for gold refining has increased significantly in the last 10 years. The number of operational gold refinery has increased to 33 in 2021 from less than 5 in 2013. However, we have not optimized the refinery production. Currently, in India, sources of gold recycling represent approximately 90%-95% share of Old gold jewellery/coin/bars scrap and 5% of Industrial scrap. Monetising Indian consumer gold can play a significant role in optimising refinery productions thereby reducing India's dependency on gold imports for manufacturing of Jewellery/coins/bars.

The 3 key drivers for consumers selling gold are higher gold prices, economic backdrop, and behavioural change. We have seen significant growth in consumers selling old gold to monetize whenever the price increases. In India, if we see historically in last 20 years, gold prices have increased on an average of 11% to 12% on YOY basis. Other than global parity, recent hikes in import duty in India have

> Organised "Sell Old Gold" branches in India can help to attract customers to sell their gold in need of expenses that couldn't meet by pledging gold, buying new gold, and monetising idle gold lying in the household

also helped price increase thereby helping the Indian consumers gain from selling the gold. Post-pandemic, due to the overall economic slowdown, lower and middle-income consumers monetize the gold in hand or pledged for their needs. Moreover, we have seen consumer behavioural change in the interest of younger consumers for monetising gold jewellery/coins/bars subject to providing transparency and convenience in selling gold.

Challenges

Cash Transaction - One of the major constraints for organised branches for buying old gold has been that customers and jewellers prefer selling or buying old gold in cash despite regulatory constraints. Government initiatives in incentivising jewellers and customers against the sale and purchase of old gold via digital transactions can play a significant role in the organised aggregation of old gold.

Set up cost - One of the major components of setting up organised branches for buying old gold is X-ray fluorescence (XRF) spectrometer machines for analysing the gold purity. Reliable and efficient XRF machines are imported at an average cost of around INR.25 to 30 lakhs in India. Reducing the import duty or developing Indian-made efficient XRF machines can help in the expansion of dedicated collection centres in the country.

Sale of Pledged gold from banks and NBFCs - Gold Loans have significantly grown in India, however due to economic backward customers couldn't repay the loans. However, currently, as per the regulatory process, the pledged gold has to be auctioned. It increases the operational cost to banks and NBFCs as well as increases the transaction charges for customers availing of Gold Loans. The auction process is time-consuming for customers in liquidating their gold for an emergency. Recommended we regulate reforms to appoint organised "Sell Old Gold" branches in buying gold from NBFC and Banks based on customer requests.

Outlook

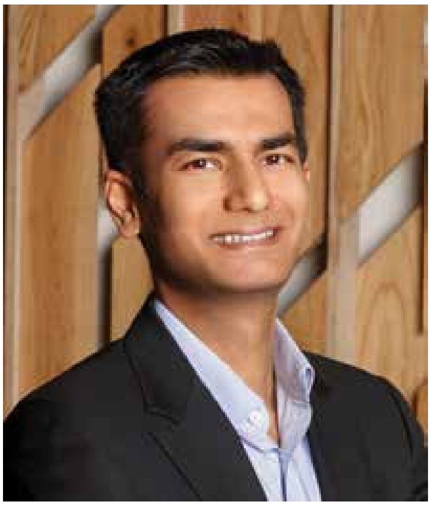
Key drivers for consumers selling gold are higher gold price movement, economic backdrop, and behavioural change. Organised "Sell Old Gold" branches in India can help to attract customers to sell their gold in need of expenses that couldn't meet by pledging gold, buying new gold, and monetising idle gold lying in the household. However, the expansion of such dedicated branches depends on support from initiatives such as revamp of the Gold Monetising Scheme (GMS), measures to reduce set-up costs, and implementation of reforms encouraging customers for selling gold. ■■■

SafeGold - Jewellers to have access to cheaper capital on an unfixed basis

Mr Gaurav Mathur, Founder and Managing Director, SafeGold

An Exclusive Interview to Bullion World (BW)

A vast majority of the industry, comprising MSMEs, have no access to adequate credit or risk management products within the current financial set-up. Through our new lease offering, our aim is to use technology to bring MSME borrowers into a digital ecosystem with the attendant benefits of convenience and transparency while offering new avenues of income to retail gold owners.



SafeGold, as a pioneer, has been working hard on increasing the use cases for digital gold. Before I ask you specific questions on the new leasing service, let me get some updates on other options.

BW. Gift your gold. In this option, can a holder gift her digital gold to any person (including non-relatives)? Is there any restriction on the quantity? Can gold be gifted to a person who is not having a SafeGold account? Also, please elaborate on the tax implications, if any.

When someone receives their SafeGold gift, they can either claim it in their existing SafeGold account or open one to claim it within 14 days. If the recipient doesn't claim the gift, the gold reverts to the sender in 14 days.

For any amount above Rs. 500, the recipient needs to provide a PAN card and other KYC information before they can sell the gold, ask for delivery etc. The IT rules related to the taxation of gifts received apply to digital gold as well.

Only individuals who are not GST-registered entities can use the gifting facilities. For businesses, DGIPL offers a separate route for corporate gifting. The total value of gifting for individuals is capped at Rs. 2 lakhs/ year.

BW. Pay for your jewellery. This is a very attractive option. A couple of questions. How many jewellery retailers are linked to the scheme? As digital gold is 995 or 999, and jewellery is usually 91.6, how does it work in practice? Can you show an illustration? What has been the customer experience so far?

Approximately 2000 retail outlets across India will exchange a customer's SafeGold balance for jewellery, including such prominent brands such as Tanishq and Caratlane.

An example of the purity conversion calculation is as follows:
A customer has 1 gm of 999.9 SafeGold balance; this will be treated as 1 x (999.9/916.7) = 1.0907 gms of 22K (916) gold.

BW. Convert to coins. Please elaborate on the mechanism involved. And is there any minimum denominations here?

A customer has to pay a minting and delivery fee for delivery of a coin/ bar to their home. The minimum weight is 0.5gms. All coins/ bars are the highest purity of 999.9, packed in tamper-proof packaging and guaranteed zero negative tolerance in weight and purity. The shipping is fully insured till delivery to the customer.

BW. Now let me come to Gold Leasing. Congratulations for introducing this service, yet another first from SafeGold in the digital gold space.

> Availing a Gold Metal Lease from SafeGold allows our jeweller clients to have access to cheaper capital on an unfixed basis. At the time of closing the lease, the jewellers have a bigger advantage in terms of pricing the metal at the prevailing domestic gold rates, unlike the current practice of closing out their leases at international prices, which often trade at a premium to local markets

i. Why gold lease? How big is the opportunity? Why do you feel that the holders of digital gold will be attracted towards this product?

Banks and institutions currently offer gold metal as a lease only to larger jewellery manufacturers, who account for less than 25% of the industry in India. A vast majority of the industry, comprising MSMEs, have no access to adequate credit or risk management products within the current financial set-up.

Through our new lease offering, our aim is to use technology to bring MSME borrowers into a digital ecosystem with the attendant benefits of convenience and transparency while offering new avenues of income to retail gold owners.

Availing a Gold Metal Lease from SafeGold allows our jeweller clients to have access to cheaper capital on an unfixed basis. At the time of closing the lease, the jewellers have a bigger advantage in terms of pricing the metal at the prevailing domestic gold rates, unlike the current practice of closing out their leases at international prices, which often trade at a premium to local markets.

While we have rolled out the product with digital gold first, we intend to offer customers a doorstep pick-up option in the future, to enable them to lease their idle gold coins and bullion.

Extending gold metal leases to MSME jewellers will eventually help drive employment growth for more than 6 million workers, one-third of whom are skilled artisans employed within the sector.

In terms of the larger market opportunity, we believe mobilizing domestically owned gold has the long-term potential to stabilize India's trade balance and gradually bring down its gold import burden by 20-25 per cent.

Apart from the inherent benefits of investing in Digital Gold, gold metal leasing provides our 28 million+ digital customers with an opportunity to earn attractive yields on their idle gold, without the need to commit to otherwise long-term, low liquidity and larger ticket-size offerings in the market.

ii. Your website mentions that it is not GMS. In what manner is it better than GMS, which has official approval and is run by banks?

SafeGold customers have the convenience to lease as little as 0.5 gms of their gold balance to the jeweller of their choice compared to the minimum 10-30 gms under the GMS.

Also, apart from being an income-generating asset for our retail customers, the customer benefits from better liquidity as most leases are for terms between 3-6 months.

On completion of a lease, customers then have the flexibility to re-lease, sell or take delivery of physical gold against their digital gold balance.

Further, for SafeGold customers, the process is online and seamless as opposed to the time-consuming physical process required to open a deposit under the GMS.

iii. Do you have any mechanism to evaluate the credit worthiness of the jewellers who intend to take the gold on lease? Or is it only the 105% bank guarantee protection?

Jewellers undergo a traditional appraisal before they can list a lease on the SafeGold platform. On the ground, teams meet and conduct initial reference checks on the jewellers and procure the required documents, including bank statements, financials etc. The requisite appraisal, KYC documentation verification and due diligence of the jeweller are then conducted by our risk team before the client is on-boarded. Apart from this, metal leases are secured by collateral amounting to a minimum of 105% of the leased metal value from the borrowers.

iv. How many jewellers are enrolled in this scheme so far? What are the enrolment criteria for any jeweller?

All reputed Jewellers/Manufacturers who fulfil the KYC/AML checks, due diligence and appraisal requirements of SafeGold are eligible to enrol under the scheme. More than 100 jewellers have applied for the scheme, and so far, 3-4 of them have been listed on a pilot basis.

v. GMS offers 2.5% yield pa while gold metal loans of banks are offered at around 7 to 9% pa (in rupee terms and at around 3% pa in dollar or metal terms). What is the likely yield one can expect in your scheme? In your website, you have mentioned 6% and 11%. Can you elaborate on these please?

GMS currently offers yield ranging from 0.5% to 2.50% pa under the short (1-3 years), medium (5-7 years) & long-term (12-15 years) leases. To qualify for the highest bracket yield, the investor must lock in their gold for 12+ years.

Gold lease rates are largely governed by diverse factors pertinent to the gold markets, along with the much wider macro-economic and geopolitical trends. Larger jewellers also get the benefit of leases at lower yields compared to MSME jewellers.

From our product's perspective, we expect yields in our scheme to stay within the range of 3-6% pa. This is in addition to the 9-11% long-term annual returns from gold price appreciation, which can ultimately give the customer 12-15% returns overall on their gold savings if they continue to lease their metal over the long term.

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vi. In your assessment, what portion of your existing investors would opt for the scheme in the first three years?

We have seen an excellent response from customers in the pilot run thus far. Our leases (100 gm - 1 kg) typically sell out within 24 hours, and 65.5% of customers return to lease their gold more than once.

Given the many benefits of opting to lease out digital gold holdings, we foresee a great opportunity for our 25+ million retail clients, especially once doorstep pick-up is also launched.

vii. What is the GST implication in the entire lease transaction, if any?

The existing tax regulations governing leasing products apply.

viii. What is the role of SafeGold in this model? What is the fees you plan to charge for the service?
And who pays for the same, the digital gold owner or the jeweller?

SafeGold, as a digital gold platform provider, facilitates the leasing of gold metal between its digital customers and the jewellers in terms of onboarding parties, vetting jewellers listed for the lease options, managing the security provided, and physically transferring the metal between parties.

We ensure that this transfer takes place from the customer's account to the jeweller through a traceable chain of custody via our vaulting partners.

The yield payments are added to the digital customer's account every month, and at the end of the lease tenure, when the jeweller settles the lease, SafeGold processes the closure transaction and updates the customer's digital gold balance. SafeGold charges jewellers a service fee of approximately 25 basis points. Retail customers are not charged any fees at this point. ■■■

Towards an LBMA Good Delivery list for Artisanal and Small-Scale Responsibly Mined Gold – The LBMA Board Response

Mr Alan Martin, Head of Responsible Sourcing · London Bullion Market Association
Mr Gregory Mthembu-Salter, Director, Phuzumoya Consulting

The intention is for this report to inform LBMA as it develops a longer-term, 'pro-ASM' strategy that advances not just the sourcing practices but also direct market access for those who depend on ASM gold for their livelihood

Mr Alan Martin
Head of Responsible Sourcing
London Bullion Market Association

Mr Gregory Mthembu-Salter
Director, Phuzumoya Consulting

Overview

LBMA has long supported the formalisation and legitimation of the global artisanal mining sector, as reflected by its inclusion among the key objectives of our current strategic plan. It was important to the LBMA Board to identify realistic and actionable ways that LBMA and Good Delivery List (GDL) refiners could better engage and support the Artisanal and Small-scale Mining (ASM) sector – an industry that contributes to an estimated 40 million direct and indirect jobs worldwide and represents as much as 20% of annual gold production.

Scope and Purpose

In March 2022, LBMA commissioned a feasibility study to support LBMA to make an impactful change in the current sourcing practices of ASM material by GDL refiners. The study was led by an independent consultant, who was also a former member of the UN Group of Experts on the Democratic Republic of Congo and wrote the Group's due diligence guidelines for companies sourcing minerals from conflict areas. The study involved desk-based research and numerous interviews with GDL refiners, members of the World Gold Council (WGC) and Responsible Minerals Initiative (RMI), and leading NGOs and experts working in the ASM sector.

The study makes six key recommendations. The results have been discussed with the LBMA Board and other stakeholders. The purpose of the study was to provide a comprehensive understanding of the challenges and obstacles facing the ASM sector.

The study also provides a considered analysis and evaluation of possible interventions and the roles different actors in the ASM ecosphere could play – from mine site actors to GDL refiners. The intention is for this report to inform LBMA as it develops a longer-term, 'pro-ASM' strategy that advances not just the sourcing practices, but also direct market access for those who depend on ASM gold for their livelihood.

Contributions

The report benefited from the valued input of the members of the ASM Working Group of LBMA,

which comprised of leading ASM practitioners and GDL refiners. The members provided generous and constructive feedback on the first draft of the report.

LBMA would like to thank them for their insights, as well as our industry partners – most especially from within the Responsible Minerals Initiative (RMI) and 2 World Gold Council (WGC) – who shared their experiences and lessons learned from their engagements with the ASM sector. Finally, we would like to thank the independent report authors, Gregory Mthembu-Salter and Dr Tom Salter, for the thought and dedication they brought to this project, through research and interviews.

Key Recommendations

Key Recommendation 1: LBMA should engage with its GDL members to establish in more detail what they are or should be looking for from regulatory regimes for ASGM, and then engage with governments, civil society and other stakeholders in ASGM producing countries to seek to secure the reforms required to achieve these regimes. This task may be more effective if conducted in conjunction with donor governments and/or the UN funded programme PlanetGold.

Key Recommendation 2: LBMA should explore collaboration with the WGC and other stakeholders to clarify the necessary and desirable regulatory conditions to encourage ASM/ LSM co-operation, including in the production of responsibly mined ASM gold. This would in turn encourage GDL sourcing of ASM gold.

Key Recommendation 3: LBMA should encourage GDL refiners to develop long-term relationships with these processors and intermediate refiners, which would ideally include joint efforts to raise standards among ASM suppliers.

Key Recommendation 4: LBMA should encourage GDL refiners to explore sourcing ASM gold from intermediate refiners on the RMI's RMAP conformance list.

Key Recommendation 5: LBMA and its members, in conjunction with other stakeholders where appropriate, should define the criteria and requirements that would enable GDL refiners to source artisanal gold from processors and intermediate refiners. These criteria should be consistent with the RMI's RMAP auditing requirements. Those that meet these requirements should form part of a new GDL for processors and intermediate refiners.

Key Recommendation 6: LBMA should take a lead in exploring how it and its members can begin to move beyond the current largely compliance-based approach to ASGM engagement, towards a shared commitment to progressive improvement via mentoring and other partnerships, such as are envisaged in the OECD Responsible Minerals guidance. This should include revisiting the language and approach of the Responsible Gold Guidance (RGG).

LBMA Board Response to ASM Feasibility Study

All Members of the Board found the independent report prepared by Gregory Mthembu-Salter and Dr Tom Salter to be a comprehensive overview of the main sourcing challenges and obstacles facing the ASM sector. The Board agrees with their frank and realistic appraisal of the significant barriers that perpetuate the sector's marginalisation – including those created by its own Responsible Gold Guidance

In response to the key recommendations made in the report, the Board accepts them and has developed a high-level delivery plan to act upon them. The overall recommendations strongly correspond to the strategic ambitions of LBMA to incorporate responsible ASM gold into the feedstock of its Good Delivery List (GDL) refiners.

In endorsing the conclusions and recommendations of the report, LBMA does not seek to solve all the problems faced by the ASM sector – including those of reputational risks and the current economic model that favours both the illicit trade and the recycled market.

That said, the report is a first step toward promoting new engagement and sourcing alternatives to GDL refiners and ASM suppliers. Progress will be slow and will require LBMA to better understand imperfection and the efforts to mitigate shortcomings as sourcing practices into responsible supply chains. It will require extensive outreach in 2023 and beyond to listen and learn from new and existing ASM partners, most notably producer governments.

■■■

To read the detailed report on : Towards an LBMA Good Delivery List for Artisanal and Small-Scale Responsibly Mined Gold scan the QR code given below

World Gold Council - Gold Jewellery Demand Trends Q3 2022

Continued normalisation of the market to pre-COVID levels of activity and build-up in inventories as growth in fabrication exceeded that of consumption.

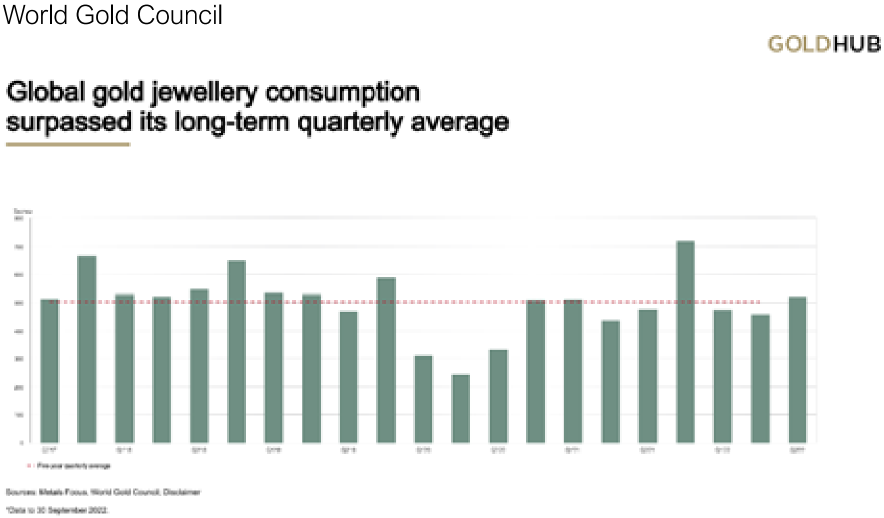
WORLD GOLD COUNCIL

Global gold jewellery consumption recovered to pre-COVID levels

- Q3 demand benefitted from a pullback in the gold price
- India led the recovery with 17% y-o-y growth in demand to 146t – the strongest third quarter since 2018
- Demand in China saw more muted growth, up 5% y-o-y as sporadic COVID-related restrictions impaired consumer sentiment.

Tonnes change	Q3'21	Q3'22	YoY %
World total	476.5	523.1	10
India	125.1	146.2	17
China, P.R.:Mainland	156.0	163.4	5

Source: Metals Focus, World Gold Council



Sources: Metals Focus, World Gold Council; *Data to 30 September 2022.

Global gold jewellery consumption of 523t improved 10% y-o-y in Q3, and was up 14% compared with the prior quarter. Demand was also healthy on a longer-term comparison. exceeding its five-year quarterly average (501t). Y-t-d demand reached 1,454t, a 2% improvement on the same period in 2021.

This signals a continued normalisation of the market to pre-COVID levels of activity, aided by a pullback in the gold price in many markets during the quarter. Q3 also saw a further build-up in inventories as growth in fabrication exceeded that of consumption.

China

After the disruption of China's widespread Q2 lockdowns, gold jewellery demand staged a comeback in Q3, rallying 58% q-o-q to 163t. The y-o-y comparison shows a more modest 5% increase. Despite sporadic restrictions being imposed throughout the quarter, consumer sentiment in July and August was upbeat, aided by a pullback in the local gold price and the release of pent-up demand from Q2. .

Jewellery consumers were driven by investment motives more than usual, given the uncertain environment of continued sudden lockdowns, slowing economic growth and a weaker domestic currency. This boosted sales of plain 24K products, which are increasingly priced according to weight rather than per piece (yielding lower, and more transparent, labour charges). Consequently, retailers continued to focus their promotional efforts on heavier items in order to bolster profits.

Q3 saw continued growth in demand for heritage gold jewellery products, which gained further market share.

In particular, plain antique crafted gold bangles were exceptionally popular, underscoring the quasi-investment nature of gold jewellery demand. This is further implied by the falling market share of 18k gold, which offers a less compelling investment proposition to consumers who wish to preserve value through high-carat jewellery.

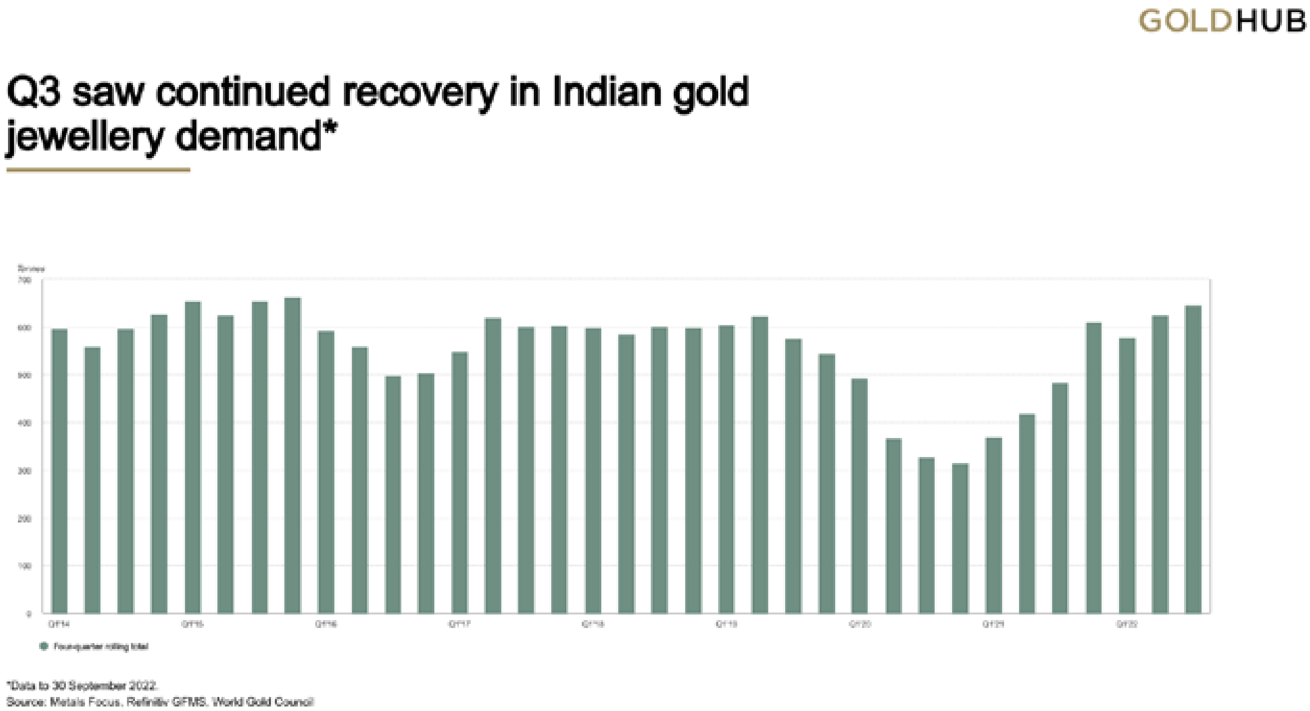
Looking ahead to demand in Q4, we see more upside potential than downside. Seasonality and the government's priority of stimulating consumption may provide some support for gold jewellery sales in the final quarter, along with a continued preference for quasi-investment gold jewellery products. But challenges from the zero-COVID policy can't be overlooked. The national day holiday early in Q4 saw uneven gold jewellery demand, with retailers in lockdown-stricken cities disappointed.

India

A 17% y-o-y increase in Indian jewellery demand – to 146t – was led by strong demand in the South. Q3 demand was 12% above its five-year quarterly average (131t) and took y-t-d demand to 381t, 10% higher than last year and almost equivalent to 2019 pre-COVID levels.

Urban India consumers have driven the recovery in gold jewellery demand, as economic activity in these areas has normalised. Credit expansion has added impetus to this demand, with bank loan growth touching a nine-year high by quarter-end.

We are positive in our outlook for the rest of the year, as festival and wedding demand should be supportive. But demand is not expected to match last year's record-breaking fourth quarter, particularly given that higher inflation relative to urban India may crimp demand in the important rural segment. ■■■



Sources: Metals Focus, Refinitiv GFMS, World Gold Council;
*Data to 30 September 2022.

SOVEREIGN
METALS LIMITED

Sovereign Metals Limited is in the business of refining precious metals (gold and silver) and supplying highest and most consistent quality products and related services and solution to customers at their place of convenience by leveraging its competent and customer-focused human resources, industry-leading technology infrastructure and transparent and globally compliant-sourcing practices.

Sovereign Metals Limited would pursue environmentally sustainable manufacturing practices and would strive to be a world leader in its chosen segment from India.

www.sovereignmetals.in

Gold and Silver Glittering always

Mr Anuj Gupta, Vice President, Research & Product, IIFL Securities

Gold is always a choice of every trader, investor and central banks. However, in last two years it did not gave any significant return but in a last 5 to 10 years it gave a handsome return and beat the other portfolio return. Now for the coming time gold prices may be based on the difference aspects which are related with dollar, geopolitical tension, crude oil and political uncertainty.

Since the beginning of the year, gold prices have dropped by 3.6% and are now almost 15% below the all-time high of USD 2.070 per ounce hit on March 8. This has primarily been caused by aggressive tightening of monetary policy by central banks, an increase in US real yields, and a stronger currency. In fact, 10-year real rates—defined as nominal yields less expected inflation— have increased by more than 150 basis points in 2018. In addition, the US dollar is currently 13% higher than it was at the beginning of the year. Investors partially liquidated their positions in ETFs as a result.

The current gold market is an illustration of diversity and expansion. The amount of gold purchased annually has almost tripled since the early 1970s, and gold markets have exploded all over the world. While the country's COVID limitations did slow consumption from January to September, according to the China Gold Association, demand has recently begun to increase.

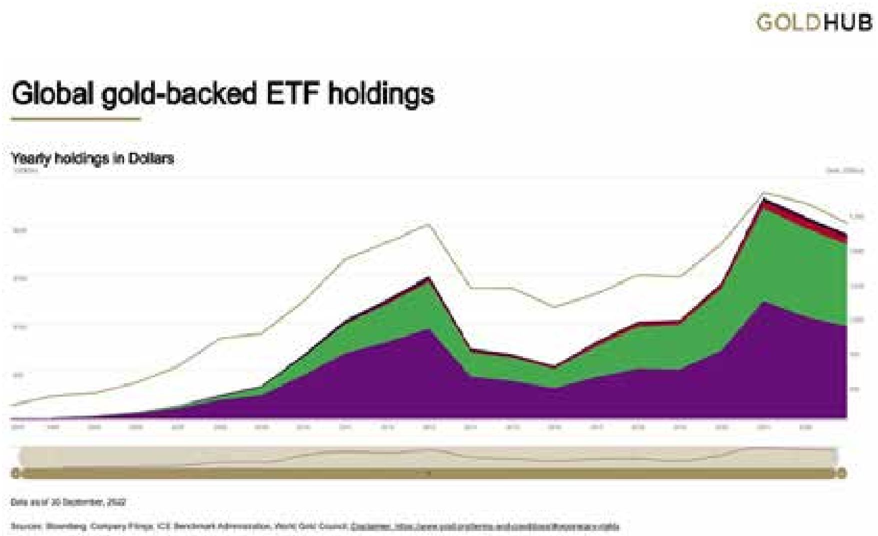
In Singapore and Hong Kong, bullion traded at a premium of $1.50 to $2.50 per ounce over the spot rates for the world. Japanese traders offered bullion for sale at par or at a premium of $0.50.

The World Gold Council and its members are aware of the grave concerns that climate change poses to the world economy and socioeconomic progress. Policy makers, business owners, investors, asset owners, and the general public are now keen for a better knowledge of these risks,

their potential repercussions, and potential mitigation or management strategies.

We believe that the forecast for the price of gold is more promising for 2023. We anticipate both a decline in the value of the US dollar as well as a rate cut by the Fed in the second half of 2023. Additionally, we anticipate lower US real yields. Therefore, it is expected that gold prices will increase again in 2019. Despite this, we do not anticipate that gold prices will reach a new high. This is due to the fact that other central banks are unlikely to begin lowering rates because they will keep fighting inflation even if their economies continue to weaken.

Despite the fact that gold is regarded as a hedge against inflation and economic uncertainty,rising interest rates make the asset—which doesn't pay interest—less appealing.



David Malpass, the president of the World Bank, and Kristalina Georgieva, the managing director of the International Monetary Fund, warned of an increasing risk of a global recession and noted that inflation was still an ongoing issue in the wake of Russia's invasion of Ukraine.

US economy rebounded strongly in the third quarter amid a shrinking trade deficit, but the data overstated the nation's economic health as domestic demand was the weakest in two years.

The Fed is expected to announce another 75 basis-point rate increase at its meeting next week, although the central bank is seen slowing its aggressive pace in December.

Technical outlook – Samvat 2079-Samvat 2080

- Shiny metal has posted around a 5% return so far this year on mounting technical tailwinds and we believe the ongoing technical strength will remain intact as prices are comfortably trading above the 100-week EMA, which has been acting as crucial support since August 2018. Last month prices witnessed a sharp rebound from the vicinity of the same MA line. On a broader time frame, we can also witness a bullish triangle pattern that's lower range value aligns around 48600.
- Initial sentiments are bullish but we are expecting a correctional decline from the present juncture and that should be containing around 50000-49500 where a fresh round of buying will take place with an expected upsurge towards 52600 and then 53500. Conversely, on the underside of price action – a decisive push below 48600 (on a weekly closing basis) indicates a failure from bulls and this re-opens the door for bearish trend strategies, with next supports at the 47400-47200 zone.

STRATEGY: BUY MCX GOLD AT 50000-49500 SL 48600 target 52600/53500

SILVER

The Bank of Japan's decision to maintain its ultra-low interest rates and dovish approach, silver prices declined as the currency strengthened. Spot silver prices declined to below $19.3 an ounce in the second week of October, retreating significantly from the three-month high of $21.1 reached on October 4th and tracking the decline in US Treasury notes as expectations of an increasingly hawkish Federal Reserve continue to dampen demand for non-interest-bearing bullion investments. .

After the stronger-than-expected September jobs data and comments from Fed policymakers emphasising the need to lower inflation, hopes that the US central bank could slow the pace of upcoming rate hikes were dashed. Members of the ECB

GOLD PRICE CHART

board have also maintained that borrowing prices must be restricted since markets are currently underestimating inflation, which might last until 2025.

SILVER TECHNICAL OUTLOOK

The white metal has undergone a slower pace of retracement as over the past 25-month it retraced almost 61.8% of the March 2020 - August 2020. A prolonged period of retracement is generally considered a healthy retracement. Silver prices were forming lower highs and lower lows formation for the past many weeks but recently previous swing highs have been taken out decisively which can be seen as an early sign of trend reversal. Momentum is positive as the weekly MACD line recently generated a crossover buy signal. The MACD histogram is printed in red with an upward-sloping trajectory which points to higher prices.

Going forward, we expect prices to hold the key support of 51900 as it is a confluence of: a (previous month's low placed around 51857, b (falling trend line support on the weekly chart, c (the vicinity of 61.8% retracement of March'20 – August'20 rally. Thus, dips around 54500 to 53000 should be used as a buying opportunity to ride the next leg of up move towards 63000 and then 67500. Prices shouldn't fall below 51900 (on a weekly closing basis) to keep the bullish tendency intact. If prices break down below 51900, it opens up the possibility of a move down to the 48500-47000.

■■■

SILVER PRICE CHART

STRATEGY: BUY MCX SILVER AT 54500-53500 SL 51900 TARGET 63000/67500

DOMESTIC news

UTI Mutual Fund Launches UTI Gold ETF Fund of Fund

UTI Mutual Fund has Introduced a new scheme – UTI Gold ETF Fund of Fund. It is an open-ended Fund of Fund Scheme investing in UTI Gold Exchange Traded Fund (UTI Gold ETF). Accordingly, the scheme's investment objective is to seek to provide returns corresponding to returns provided by UTI Gold ETF by investing in units of UTI Gold ETF. However, there is no guarantee or assurance that the scheme's investment objective will be achieved. Under normal circumstances, UTI Gold ETF Fund of Fund will hold an allocation of 95% to 100% of its assets in Units of UTI Gold ETF and 0% to 5% in Money Market Instruments, including Tri-Party Repo on Government securities or Treasury bills, cash & cash equivalents. As per the Scheme Information Document, the UTI Gold ETF Fund of Fund may buy/sell the units of UTI Gold ETF either directly with the Fund or through the secondary market on the Stock Exchange(s). The scheme would also invest in debt & money market securities to the extent necessary to meet the liquidity requirements for repurchases or redemptions.

Source: https://www.personalfn.com

World Gold Council aims to attract youth through its 'You are gold' campaign.

World Gold Council's 'You are gold' campaign in partnership with Gem and Jewellery Export Promotion Council (GJEPC) is to increase awareness, relevance and adoption of gold jewellery amongst young Indian women. It aims to inspire young women to express themselves. The integrated campaign rolled out before Diwali 2022 aims to attract millennials and gen-Z and highlight the many qualities that make them who they are, qualities that make them shine like the gold jewellery they wear, and how they express themselves through it.

Source: https://bestmediainfo.com

SafeGold introduces GAINS- a platform to lease individually owned gold.

Digital gold platform SafeGold has introduced GAINS- a platform that will allow consumers to lease individually owned gold. This will allow the 100 million plus retail consumers of gold in India to change their perspective on gold, giving it a larger purpose of income generation rather than mere accumulation. The new ground-breaking offering will also empower India's underserved MSME jewellery industry. Eventually, it will also pump capital to nearly 6 million skilled artisans and workers in the industry. SafeGold estimates that Indian consumers have approximately 8,000 tons of idle gold coins, bars and unused jewellery. Through GAINS, SafeGold aims to mobilise idle gold to reduce imports by up to $526 billion at current gold prices over the long run.

Source: https://economictimes.indiatimes.com

Malabar Gold & Diamonds to start construction of manufacturing unit in Telangana

Malabar Gold & Diamonds will invest Rs.750 crore in setting up the manufacturing facility and a refinery in Telangana. Located at General Park, Maheshwaram, in the Rangareddy district and spread over 3.7 acres, the manufacturing facility is slated to be operational soon. It will be able to manufacture 10 tonnes of gold jewellery and 1.5 lakh carats of diamond jewellery annually. It will also house a state-of-the-art gold refinery facility with an annual gold refining capacity of 180 tonnes.

Source: https://economictimes.indiatimes.com

International news

Central Banks Are Stocking Up on Gold

According to the latest data released by the World Gold Council, central banks globally added to their net gold holdings. Central banks added 20 more tons of gold to their reserves on the net. So far this year, central banks have added over 300 tons of gold to their goldings. Turkey was the biggest buyer; Uzbekistan added 8.7 tons, and Kazakhstan bought 2 tons of gold. India now owns 781 tons of gold, ranking it the ninth largest gold-holding country in the world.

Source: https://oilprice.com

RG Gold launches $420 million processing plant.

Kazakh gold miner RG Gold has launched a new processing plant worth more than $420 million. The added capacity is expected to enable the company to quadruple its 2023 output to approximately 190,000 ounces. The new plant's annual processing capacity amounts to approximately 5 million tonnes of gold-containing ore. It deploys CIP (carbon in pulp) technology, which uses coal particles during leaching to extract gold from low-grade ore at a low cost. The plant has been designed and constructed by all international safety and environmental requirements.

Source: https://www.mining.com

DGCX Announced Launch of New Physical Gold Futures and Spot Gold Contracts

The Dubai Gold and Commodities Exchange (DGCX) announced the launch of new Physical Gold Futures and Spot Gold Contracts. The newly launched products will allow traders and financial institutions to use physical gold as collateral to access affordable sources of short-term lending. The products are designed so traders can use them to get short-term liquidity from banks through the spot gold markets. Both products are available for trading now on the DGCX EOS Trader platform.

Source: https://www.scrapmonster.com

Expo Centre Sharjah hosts Middle East Jewellery Designers Forum.

The Expo Centre Sharjah has hosted a special edition of the Middle East Jewellery Designers Forum 2022 on the third day of the 50th edition of the Watch & Jewellery Middle East Show (WJMES). The forum, which was organised, brought together more than ten high-profile speakers and international experts from prestigious institutions of gold and jewellery designers around the world. The event discussed several jewellery-related topics, including the future trajectory of jewellery designs, new metals, gemstones, fusion, and lab-grown diamonds.

Source: https://www.wam.ae

Peru aims to formalise artisanal gold miners, minister says

Peru plans to formalise small-scale gold miners, mining minister Alessandra Herrera said, amid growing international pressure to shed light on the supply chain of the precious metal in South America's top producer. About 22% of Peru's gold production comes from small-scale mining, Herrera said at an event organised in Lima by the nonprofit Swiss Better Gold Association.

Source: http://in.reuters.com

NSE | Commodity Derivatives

www.nseindia.com

Introduction of 1 gram Gold contract with delivery-based settlement on NSE Commodity Derivatives segment.

In addition to the Gold Futures (1 Kg) contracts and Gold Mini (100 gms) contracts, NSE is pleased to launch 1 gram Gold contracts w.e.f. June 07, 2021, on its NSE Commodity Derivatives segment.

Key Highlights

- Assured delivery of 999.0 purity gold
- Competitive making charges
- Delivery only from NSE approved Domestic Refiners or London Bullion Market Association (LBMA) certified Refiners
- One step closer to Atmanirbhar Bharat

List of NSE Approved Refiners

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- M/s GGC Gujarat Gold Centre Pvt. Ltd.
- M/s Kundan Care Products Ltd.
- M/s M. D. Overseas Ltd.

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Developing, Driving and Connecting ASEAN's Bullion Market

The SBMA is the principal market development agency for the precious metals trade in Singapore.

Our mission is to develop Singapore as ASEAN's precious metals trading hub.

As the first touch point between governmental/regulatory bodies and market participants, we maintain good links and relationships with fellow associations in ASEAN countries and beyond, further connecting our market participants through networking events and outgoing business missions to these countries.

We are also a source of industry knowledge and information, and can share best practices and industry know-how.

For direct enquiries, please email

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For more information, please visit our website at www.sbma.org.sg

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IBJA Opening & Closing Rates for Gold and Silver

(All rates in INR)

	Gold 999		Gold 995		Gold 916		Gold 750		Gold 585		Silver 999	
Date	(AM Price)	(PM Price)	(AM Price)	(PM Price)	(AM Price)	(PM Price)	(AM Price)	(PM Price)	(AM Price)	(PM Price)	(AM Price)	(PM Price)
	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	10 Gms	1 Kg	1 Kg
10-03-2022	50391	50387	50189	50185	46158	46155	37793	37790	29479	29476	57268	57317
10-04-2022	51169	51286	50964	51081	46871	46978	38377	38465	29934	30002	61144	61034
10-06-2022	51792	51838	51585	51630	47442	47484	38844	38879	30298	30325	60894	60670
10-07-2022	51908	51765	51700	51558	47548	47417	38931	38824	30366	30283	61154	60848
10-10-2022	51317	51120	51112	50915	47006	46826	38488	38340	30020	29905	58774	58949
10-11-2022	50771	50736	50568	50533	46506	46474	38078	38052	29701	29681	57881	57614
10-12-2022	50731	50755	50528	50552	46470	46492	38048	38066	29678	29692	57186	57104
10-13-2022	50774	50869	50571	50665	46509	46596	38081	38152	29703	29758	56750	57086
10-14-2022	50763	50438	50560	50236	46499	46201	38072	37829	29694	29506	56710	56042
10-17-2022	50315	50430	50114	50228	46089	46194	37736	37823	29434	29502	55452	55643
10-18-2022	50339	50362	50137	50160	46111	46132	37754	37772	29448	29462	56105	56010
10-19-2022	50135	50236	49934	50035	45924	46016	37601	37677	29329	29388	55765	55606
10-20-2022	50247	50228	50046	50027	46026	46009	37685	67671	29395	29383	55778	56267
10-21-2022	49855	50062	49655	49862	45667	45857	37391	37547	29165	29286	55800	55555
10-25-2022	50637	50444	50434	50242	46384	46207	37978	37833	29623	29510	57427	56596
10-27-2022	50791	50779	50588	50576	46525	46514	38093	38084	29713	29706	57966	57640
10-28-2022	50654	50502	50451	50300	46399	46260	37991	37877	29633	29544	57800	57419
10-31-2022	50301	50480	50100	50278	46076	46240	37726	37860	29426	29531	57042	57350

The above rates are exclusive of GST/VAT

Bullion - Data & Statistics

Gold Spot Market International (Per Troy Ounce)			
Spot Gold	04th Oct	31st Oct	% Change
Australia (AUD)	2660.80	2560.00	-3.79
Britain (GBP)	1504.53	1426.00	-5.22
Canada (CAD)	2332.91	2233.95	-4.24
Europe (Euro)	1727.74	1656.93	-4.10
Japan (Yen)	248276.00	243204.00	-2.04
Switzerland (CHF)	1688.60	1639.38	-2.91
USA (USD)	1725.49	1632.44	-5.39

Silver Spot Market International (Per Troy Ounce)			
Spot Silver	04th Oct	31st Oct	% Change
Australia (AUD)	32.46	29.98	-7.64
Britain (GBP)	18.36	16.69	-9.10
Canada (CAD)	28.46	26.14	-8.15
Europe (Euro)	21.07	19.39	-7.97
Japan (Yen)	3028.00	2846.00	-6.01
Switzerland (CHF)	20.59	19.18	-6.85
USA (USD)	21.02	19.16	-8.85

Monthly Exchange Data (Gold) (From Oct 03-31)						
Exchange	**Commodity**	**Open**	**High**	**Low**	**Close**	**% Ch.**
COMEX[2]	Gold Feb 23	1682.40	1751.60	1635.00	1654.90	-1.78
SHANGHAI –SHFE[4]	Gold Feb 23	396.36	398.00	387.32	391.56	0.63
MCX[1]	Gold Feb 23	50550.00	52346.00	50050.00	50578.00	0.26
TOCOM[3]	Gold Feb 23	7753.00	8009.00	7728.00	7800.00	0.71

1- Rs/10 gms, 2- $/oz, 3- Jpy/gm 4 (RMB) Yuan/gram 5 - $/gram

Monthly Exchange Data (Silver) (From Oct 03-31)						
Exchange	**Commodity**	**Open**	**High**	**Low**	**Close**	**% Ch.**
COMEX[2]	Silver Mar 23	19.16	21.44	18.23	19.30	0.58
MCX[1]	Silver Mar 23	58159.00	63577.00	56341.00	58862.00	1.56
TOCOM[3]	Silver Feb 23	85.00	93.00	85.00	90.60	6.71

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

Gold Spot Market, India			Rs/10gm
Spot Gold	**03th Oct**	**31st Oct**	**% chg**
Ahmedabad	50200.00	50187.00	-0.03
Bangalore	49898.00	50140.00	0.48
Chennai	49388.00	49510.00	0.25
Delhi	49877.00	50090.00	0.43
Mumbai	50185.00	50278.00	0.19
Hyderabad	49396.00	49510.00	0.23
Kolkata	50201.00	50450.00	0.50

Currency Change (Monthly)		
	03rd Oct	**31st Oct**
EUR/USD	0.9824	0.9883
USD/AUD	1.5344	1.5632
USD/GBP	1.1322	1.1469
USD/INR	81.49	82.77
USD/JPY	144.53	148.71

Silver Spot Market, India			Rs/kg
Spot Silver	**03th Oct**	**31st Oct**	**% chg**
Mumbai	57317.00	57350.00	0.06

Bullion - Data & Statistics

LBMA Gold & Silver Price (Per Troy Ounce)

	GOLD AM			GOLD PM			SILVER			
DATE	USD AM	GBP AM	EUR AM	USD PM	GBP PM	EUR PM	DATE	USD	GBP	EUR
10-03-2022	1660.80	1482.76	1697.84	1668.40	1484.21	1705.61	10-03-2022	19.42	17.33	19.85
10-04-2022	1709.15	1508.32	1733.08	1714.85	1505.98	1724.62	10-04-2022	20.93	18.43	21.14
10-05-2022	1712.15	1500.87	1723.28	1700.50	1509.53	1726.01	10-05-2022	20.44	17.97	20.59
10-06-2022	1716.00	1518.15	1733.85	1714.20	1526.84	1744.37	10-06-2022	20.54	18.25	20.78
10-07-2022	1711.50	1526.83	1745.05	1696.15	1526.37	1739.74	10-07-2022	20.63	18.43	21.06
10-10-2022	1680.05	1517.93	1732.30	1676.55	1517.28	1728.36	10-10-2022	19.83	17.94	20.45
10-11-2022	1664.15	1505.72	1714.74	1664.70	1506.05	1716.14	10-11-2022	19.40	17.52	19.96
10-12-2022	1672.30	1510.76	1721.80	1670.65	1512.77	1723.28	10-12-2022	19.19	17.31	19.74
10-13-2022	1676.40	1502.39	1720.99	1648.10	1471.26	1700.34	10-13-2022	19.18	17.19	19.72
10-14-2022	1655.15	1472.09	1701.33	1649.30	1476.29	1696.96	10-14-2022	18.77	16.69	19.28
10-17-2022	1658.00	1469.15	1699.62	1664.75	1466.98	1701.21	10-17-2022	18.60	16.49	19.07
10-18-2022	1652.25	1458.94	1677.03	1653.00	1461.25	1677.46	10-18-2022	18.70	16.60	19.04
10-19-2022	1640.70	1456.78	1672.04	1631.70	1451.72	1669.56	10-19-2022	18.44	16.38	18.84
10-20-2022	1633.20	1459.92	1669.95	1635.30	1454.11	1670.46	10-20-2022	18.79	16.75	19.16
10-21-2022	1624.55	1458.20	1665.98	1643.25	1470.05	1677.59	10-21-2022	18.39	16.52	18.86
10-24-2022	1646.35	1455.70	1678.12	1649.15	1457.02	1670.42	10-24-2022	19.22	17.00	19.56
10-25-2022	1642.85	1450.47	1664.37	1659.25	1443.88	1664.89	10-25-2022	18.88	16.66	19.15
10-26-2022	1670.80	1443.24	1666.96	1666.75	1439.91	1661.58	10-26-2022	19.59	16.94	19.54
10-27-2022	1663.30	1438.42	1656.31	1659.75	1431.04	1656.93	10-27-2022	19.37	16.76	19.30
10-28-2022	1649.25	1430.39	1656.01	1648.05	1424.57	1652.83	10-28-2022	19.23	16.66	19.32
10-31-2022	1638.85	1419.74	1649.50	1639.00	1425.27	1656.87	10-31-2022	19.17	16.61	19.29

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