खनिज समाचार

KHANIJ SAMACHAR

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KHANIJ SAMACHAR

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INDIAN BUREAU OF MINES

VOL. 2, NO-16, 16th –31st AUGUST, 2018

BUSINESS LINE DATE : 20/8/2018 P.N.8

GLOBAL		Change in %			52-Week	
	Price	Weekly	Monthly	Yearly	High	Low
Metals ($/tonne)						
Aluminium	2004	-4.0	-3.0	-3.8	2603	1966
Copper	5890	-4.4	-3.7	-8.8	7324	5841
Iron Ore	62	-2.9	6.2	-17.9	81	58
Lead	1963	-5.8	-8.6	-17.9	2683	1973
Zinc	2391	-6.3	-5.7	-21.7	3619	2325
Tin	18677	-4.2	-4.6	-8.0	22104	18662
Nickel	13390	-2.5	0.0	25.5	15749	10170

BUSINESS LINE DATE : 27/8/2018 P.N.8

GLOBAL		Change in %			52-Week	
	Price	Weekly	Monthly	Yearly	High	Low
Metals ($/tonne)						
Aluminium	2073	3.4	0.4	-1.6	2603	1966
Copper	6092	3.4	-2.8	-8.6	7324	5841
Iron Ore	62	-0.2	4.6	-19.0	79	58
Lead	2069	5.4	-3.2	-11.2	2683	1973
Zinc	2541	6.3	-4.2	-18.4	3619	2325
Tin	19040	1.9	-3.6	-7.6	22104	18662
Nickel	13338	-0.4	-1.2	14.1	15749	10170

BUSINESS LINE DATE : 17/8/2018 P.N.16

Gold loses haven appeal as dollar's clout grows

COMMENTARY

G CHANDRASHEKHAR

Incurable gold bulls have never been as thoroughly disillusioned as in recent times. Not very long ago (say until five years ago or till early 2013) they had witnessed what by today's standards can be described as astronomical prices of $1,700-1,800 an ounce.

The gold market created a record of registering annual double-digit growth for 12 long years in succession until 2012.

But that's history. The precious metal — a unique embodiment at once of an investment asset class and a consumption asset class, commodity and currency, as also a haven asset — is today an embattled one struggling to arrest a free fall.

Prices have broken below the $1,200/oz psychological barrier and continue to hurtle toward $1,150 levels in New York. On August 15, bids for $1,167 were seen. It may be somewhat perplexing that at a time when there is so much of political and economic uncertainty and looming risks, gold is not performing to its attributed potential.

What gives?

The inverse relationship between the dollar and gold has never been as pronounced as now. The greenback is currently in considerable demand, having risen to multi-month highs in the wake of the robust economic performance of the world's leading engine of growth. As of now, the dollar has in some way replaced the yellow metal as a haven asset.

A steadily strengthening dollar is negative for gold; and there is more steam left in the greenback's strength. All signals point to two more interest rate hikes the US Federal Reserve will announce in the months ahead this year. In other words, the dollar will continue to gain strength into 2019. The second but more important reason is lacklustre demand growth. Demand — whether for consumption or for investment — for the yellow metal in the top two markets of the world, China and India, stands enervated.

Indications are that jewellery demand in the two quarters ahead will stay softer, and possibly well into 2019. The key consuming markets China, India and Turkey have their own individual problems.

The Chinese economy is slowing decisively, while Turkey faces a currency crisis. In fact, Turkey recently sold some gold to shore up its currency reserves.

India's South-West monsoon has so far progressed less satisfactorily than expected (10 per cent below normal), which may impact rural incomes and therefore rural demand.

Is this the end of the road for gold or is there any hope in the times ahead? The situation is fraught with possibilities.

The road ahead

One scenario for the second half of 2019 suggests that the interest rate hikes of the US Fed will begin to bite. The boost received from the fiscal stimulus will begin to fade and the economic growth rate risks a slowdown with the cumulative effect of monetary tightening.

Worse, if trade tensions spiral out of control and more nations are sucked into the trade war, there will be an overall slowdown in global economic growth. It will hit the equities market, weaken the dollar and prove beneficial for gold. To be sure, it is one of the possible scenarios and may possibly play out one year from now. Watch this space.

The author is a policy commentator and commodities market specialist. Views are personal.

BUSINESS LINE DATE : 17/8/2018 P.N.16

MCX, bullion body to study feasibility of spot gold exchange

OUR BUREAU
Mumbai, August 16

Multi Commodity Exchange has signed a memorandum of understanding with India Bullion and Jewellers Association to study the viability of jointly setting up a Bullion Spot Exchange.

This is in line with the government's vision to establish a trade-efficient and consumer-friendly system of regulated gold exchange for an efficient and transparent price discovery.

The gold spot xchange, once set up, will create a vibrant gold ecosystem corresponding to India's annual demand of about 800-900 tonnes. It will further lead to assurance in the quality of gold, provide for a robust settlement mechanism, multiple delivery centres, active retail participation, greater integration with financial markets and boost recycling, said the exchange in a statement on Thursday.

The entities will also undertake a series of initiatives such as organising joint seminars and awareness programmes on price risk management for bullion traders and jewellers across the country.

The awareness programmes will educate small and medium jewellers from unorganised markets on hedging tools such as gold futures and options.

BUSINESS LINE DATE : 17/8/2018 P.N.16

MCX Lead resumes its downward trend

GURUMURTHY K
BL Research Bureau

The Lead futures contract on the Multi Commodity Exchange (MCX) has broken the ₹143-₹150 per kg sideways range on the downside.

The contract made a high of ₹148.45 per kg on Monday and tumbled over 4 per cent and is currently trading at ₹142.

break below ₹143 signals the resumption of the downtrend that has been in place since June.

The outlook is bearish. The region between ₹144 and ₹145 will now act as a resistance and can cap the upside in the near term.

If the contract manages to bounce from ₹135, a relief rally to ₹140 and ₹143 is possible. But if it declines decisively below ₹135, the downside pressure will intensify

An intermediate bounce to this resistance region may find fresh sellers coming into the market.

There is immediate support at ₹140. A break below this can drag the contract lower to ₹135 initially.

If the contract manages to bounce up from ₹135, a relief rally to ₹140 and ₹143 is possible.

But if it declines decisively below ₹135, the downside pressure will intensify.

Such a break will then increase the likelihood of the contract tumbling to ₹129 or ₹128 in the coming weeks.

Trading strategy

Medium-term traders who have taken short positions at ₹147 can hold them with a revised stop-loss at ₹145.

Move the stop-loss lower to ₹142 as soon as the contract moves down to ₹139. Book profits at ₹136.

Note: The recommendations are based on technical analysis and there is a risk of loss in trading.

BUSINESS LINE DATE : 18/8/2018 P.N.14

Asian gold buyers turn active as falling prices revive demand

Premiums rise in India, China; spot gold set for biggest weekly fall since May 2017

REUTERS
Mumbai/Bengaluru, August 17

Physical gold demand in India regained momentum this week as jewellers stocked up after prices dipped to the lowest in over seven months, attracting fresh buying and driving premiums higher in other major Asian hubs as well.

Dealers in India, the second biggest gold consumer after China, were charging a premium of up to $1 an ounce, compared with a discount of $1.5 last week, as prices fell to their lowest since January 10, at ₹29,268 per 10 gm earlier on Friday.

"Jewellery demand was robust during the India International Jewellery Show," said Colin Shah, vice chairman of Gems and Jewellery Export Promotion Council. The expo took place between August 9 and 13 in Mumbai.

The country's gold imports rose for the first time in seven months in July to 75 tonnes, provisional data from metals consultancy GFMS showed. "In August, imports will rise like July. Prices are very attractive for jewellers to build stocks," a bank dealer in Mumbai said.

Meanwhile, global benchmark spot gold prices plunged to as low as $1,159.96 an ounce on Thursday, their lowest since January 2017, and was on track to register its worst week since May 2017.

"It's a good time to buy," said Ronald Leung, chief dealer at Lee Cheong Gold Dealers in Hong Kong.

In China, premiums rose to $3 to $5 an ounce this week from last week's $2-3, while premiums in Hong-Kong were around 90 cents-$1.50 versus 70 cents to $1.30 previously.

Premiums rose in Singapore as well, with 90 cents-$1.50 an ounce being charged over the benchmark, compared with the 80 cents level last week.

"This week demand has been very good, price is the lowest we have seen this year, so we have seen a lot of buying," said Brian Lan, Managing Director, GoldSilver Central in Singapore.

A Tokyo-based trader said demand was very strong in Japan due to lower prices, pushing premiums there up to $1 an ounce, after remaining unchanged at 50 cents for seven weeks.

BUSINESS LINE DATE : 18/8/2018 P.N.14

Currency shocks knock platinum to 10-year lows

REUTERS
London, August 17

Platinum prices tumbled to 10-year lows as the collapse of Turkey's lira rippled through markets and weakened the currency of top producer South Africa, underlining persistent oversupply of the autocatalyst metal.

Platinum has been caught in a broad sell-off as investors rush to the safety of the dollar, pushing it higher and making dollar-priced metals more expensive for buyers using other currencies.

But platinum, used mainly in emissions-reducing catalytic converters for vehicles and in jewellery, has fallen further than its precious metal peers. Once much more valuable than gold and palladium, platinum has tumbled 25 per cent from January highs to below $780 an ounce. This week it hit its lowest since October 2008 and a new record low relative to gold.

"It (platinum's outlook) has changed and the reason is the weakness of the rand," said Julius Baer analyst Carsten Menke.

The rand has fallen more than 10 per cent against the dollar in a week, boosting the local earnings of South African companies who produce around 70 per cent of the world's mined platinum and relieving pressure on them to cut output.

Analysts at Metals Focus expect a surplus of 40,000 ounces in 2018 in the roughly 8 million ounce a year platinum market.

Johnson Matthey predicts for this year a larger oversupply of 316,000 ounces, the biggest since 2011.

Platinum had already been falling this year as the rising dollar and fears that trade disputes will damage economic growth and curtail demand turned investors against the metal.

THE HITAVADA DATE : 19/8/2018 P.N.9

Gold slides on tepid demand; silver steady

NEW DELHI, Aug 18 (PTI)

GOLD prices fell by Rs 90 to Rs 30,250 per 10 grams at the bullion market on Saturday owing to tepid demand from local jewellers even as the precious metal strengthened overseas.

However, silver held steady at Rs 38,000 per kg on scattered enquiries from industrial units and coin makers. Marketmen attributed the slide in gold prices to easing demand from local jewellers and retailers in the domestic spot market but a firm trend overseas capped the fall.

In the National Capital, gold of 99.9 per cent and 99.5 per cent purity declined by Rs 90 each to Rs 30,250 and Rs 30,100 per 10 grams, respectively.

Sovereign also traded lower by Rs 100 to Rs 24,400 per piece of 8 grams. On the other hand, silver ready ruled flat at Rs 38,000 per kg, while weekly-based delivery recovered by Rs 235 to Rs 36,940 per kg on speculative buying.

BUSINESS LINE DATE : 20/8/2018 P.N.8

Gold tumbles below $1,200

The US dollar takes the sheen off the yellow metal

GURUMURTHY K

Gold crashed below the psychological $1,200 mark last week. The global spot gold price tumbled over 4 per cent intra-week and made a low of $1,160 per ounce.

However, the prices managed to reverse higher from the lows, recovering some of the loss, and closed at $1,184 per ounce, down 2.2 per cent for the week. The US dollar retaining its strength as a safe haven has taken the sheen off gold.

Dollar dominates

Strong US dollar continues to keep the gold prices under pressure. The US dollar index extended its rally and touched a high of 96.98. This dragged gold sharply below $1,200 last week.

The dollar index, however, came off from the week's high of 96.98 and is currently poised at 96.10.

This helped gold recoup some of the loss towards the end of the week.

The dollar index can dip to 95.8, and a break below this level can drag it to 95 in the near term. Such a fall in the dollar index may give further relief to gold.

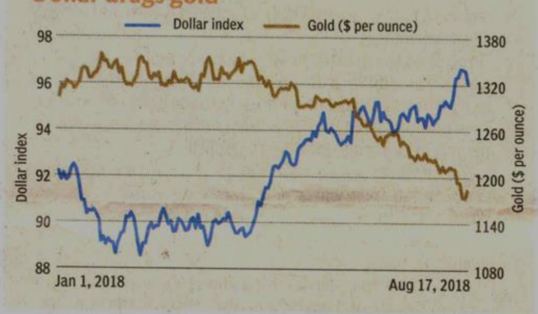
Key resistances for the dollar index are at 96.9 and 97.3. A strong break above 97.3 will boost the momentum and pave way for the next target of 98. In such a scenario, gold prices can fall further.

The negative correlation between the US dollar and gold has been strengthening since the beginning of this year. The dollar index has surged about 8 per cent from around 89 in end January to the current levels of 96.

Gold, on the other hand, has tumbled over 12 per cent from around $1,350 per ounce to the current levels of $1,184 over the same period. So a strong fall in the dollar index is needed for gold to reverse its trend.

But with risk aversion ruling high in the market, the possibility of the dollar index falling sharply in the near future is quite low.

Dollar drags gold



Weak demand

Apart from a strong dollar, weak demand is another factor that is keeping gold prices subdued.

A recent report from the World Gold Council (WGC) shows that the global gold jewellery demand fell 2 per cent to 510.3 tonnes in the second quarter of this year.

Though the gold price has fallen sharply, demand from major consumers such as India has failed to pick up due to the weakness in their respective currencies, according to WGC.

The report also shows that the inflow of 63 tonnes into the global gold-backed Exchange Traded Funds (ETFs) in the first half of this year has been the lowest since the first half of 2015.

Gold outlook

The global spot gold ($1,284 per ounce) has crucial supports in the $1,160-1,150 region. This support zone held well in the past week and the prices have reversed higher from the low of $1,160.

As long as gold remains above this support, a range-bound move between $1,150 and $1,200 is possible for some time.

A strong break above $1,200 is needed to ease the downside pressure. Such a break can trigger a relief rally to $1,220 or $1,240 on the back of short-covering.

On the other hand, gold will come under further pressure if it decisively declines below $1,150. The next target if $1,110.

On the domestic front, the gold futures contract on the Multi Commodity Exchange (MCX) has declined below the key support level of ₹29,500 per 10 g. The contract fell 1.5 per cent in the past week and closed at ₹29,349. The near-term outlook is negative. The contract can extend its fall to test the next support level of ₹29,000. The level of ₹29,000 is a key long-term trend-line support which may halt the current down-move. A strong bounce from this support will increase the probability of the contract revisiting ₹30,000 or even higher levels over the medium term.

Silver stumbles

After trading in a narrow range between $15.2 and $15.7 per ounce for three weeks, silver declined sharply, breaking the range below $15.2 last week.

The global spot silver prices plummeted over 6 per cent intra-week and made a low of $14.34 per ounce.

The prices, however, recovered towards the end of the week, and closed 3.3 per cent lower at $14.80 per ounce. The level of $15.10 is a crucial resistance now. As long as silver remains below $15.1, there is a strong likelihood of the prices falling further to $14 in the coming days.

The MCX-Silver futures contract also moved in tandem with the global prices last week. The contract was down 3 per cent for the week and closed at ₹36,778 per kg.

The outlook remains negative. The contract can extend its down-move and test the next key support level of $36,000. A bounce from this support can trigger a corrective rally to ₹37,500 or even higher levels.

But a break below ₹36,000 will increase the likelihood of the down-move extending to ₹35,500.

THE HITAVADA DATE : 18/8/2018 P.N.11

Coal India expects 367 MT output from 115 projects by March 2019

NEW DELHI, Aug 19 (PTI)

COAL India Ltd (CIL) expects 367 million tonne (MT) output by the end of the current financial year from its 115 ongoing projects.

The PSU accounts for over 80 per cent of the domestic production. There are 115 coal projects under implementation and the expected contribution from these by March 2019 is 367 MT, Coal India said in a report.

The production from these projects is "planned to reach the level of 377 MT in 2019-20," it said in the report.

CIL also said it has 65 new projects on the anvil with a "targeted capacity of 247.66 MT per year" out of which 27 are approved.

"Of these 65 future projects, 27 with ultimate capacity of 108.29 MT have been approved," the report said. It said efforts are on to augment investment in logistics and infrastructure for coal offtake adding that Operator Independent Truck Dispatch Systems are installed in 11 large opencast projects in 4 subsidiaries besides road and rail projects. The PSU has lined up Rs 9,500 crore as capital expenditure for 2018-19.

CIL has planned robust investment in various other projects like Ultra Mega Power Project (UMPP), solar power, revival of fertiliser plants, acquiring coking coal assets in Australia and Canada, coal gasification, during 2018-19. The company contributed 84 per cent to India's total coal production in 2016-17.

The dry fuel accounts for 56 per cent of India's primary energy consumption.

THE ECONOMIC TIMES DATE : 21/8/2018 P.N.9

Ministry Against Inclusion of Finished Steel Goods in RCEP

Says it would have an adverse impact on the industry that's recovering from a crisis

Deepshikha.Sikarwar
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New Delhi: India's steel ministry has strongly opposed the inclusion of finished steel products in the proposed regional free-trade agreement, saying it would have an adverse impact on the industry that's recovering from a crisis.

A group of ministers is looking into aspects of the Regional Comprehensive Economic Partnership, or RCEP, after many ministries and departments expressed reservations about the contours of the agreement. The RCEP includes the 10 ASEAN members, China, Australia, India, New Zealand, Japan and South Korea.

"We believe in multilateralism, we believe in fairness, we believe in the WTO principles. But these should not be hitting Indian industries," Aruna Sharma, steel secretary, told **ET** in an interview. "We are very clear as far as steel is concerned it should be out of RECP."

Sharma said only ingredients and products associated with steel-making such as coking coal, ferro nickel, ferro iron, stainless steel scrap and scrap should be included in the agreement.

"This will help build volumes under RCEP. In any case, we would be importing these, so India can claim credit for their inclusion in the RCEP. But finished steel products should be out," she said.

The steel ministry is in talks with the department of commerce on this issue.

Sharma, who retires this month-end, said the amendment in the general financial rules making steel a priority item has been a game-changer for the sector, which is now poised to clock 10% growth in this financial year.

STEEL & FTA

> We believe in multilateralism, in fairness, in the WTO principles. But these should not be hitting Indian industries

She said there is bound to be growth in infrastructure and in the consumption of steel and anti-dumping duties are crucial at this stage so that the country's potential is exploited to the fullest and Indian manufacturers contribute to it. India's steel industry is recovering from a crisis caused by excess global capacity.

India, the world's third-largest producer of crude steel, increased output 6.2% to 101.4 million tonnes in 2017, according to the World Steel Association.

Finished steel in demand in India is expected to grow 5.5% to 92 million tonnes in 2018 and 6% to 97.5% in 2019, the association said in April, as the Indian economy stabilises and steel demand accelerates gradually.

CHEAPER INPUTS

The ministry is in talks with the department of revenue on lowering of import duties on inputs used in the industry. The thumb rule in the discussions is that imports of what India does not have in sufficient quantity should not be made expensive by imposition of duties, she said.

"We are in talks on coking coal, ferro nickel, ferro chrome, stainless steel scrap and scrap. It may be an earning source. But steel is on a growth trajectory so the government will earn through GST and logistics. This is the line that the ministry has taken," she said.

CAPACITY EXPANSION

Sharma said plans were in place for India to achieve a production capacity of 300 mt by 2030, in line with the new steel policy.

"We are in talks with Japan and South Korea for green-field capacity... Auto steel is a requirement and we have iron ore," she said.

Sharma pointed that the Insolvency & Bankruptcy Code mechanism is also working well in resolving the debt of steel companies.

"Each one of bids at the NCLT (National Company Law Tribunal) for steel companies has come with an expansion plan because everyone knows there is no looking back," Sharma added.

But for that, you need to clean up, she admitted. The government needs to make land available immediately and the steel ministry has 15,000 acres of identified land pool for investments.

"For this, the ministry of steel itself has identified land, but more important are the linkages of coal, thermal coal if they want to go for gasification route or the coking coal route," she said.

Sharma said that when this government took charge, the situation that prevailed in terms of transparency in mining required corrections.

"But now the time has come to have a relook at it, to have an assured supply. It can be auction route. Auction can be in two parts. One auction to give it to end-users and the other to mercantile miners. Coal for sponge-iron makers. For coking coal, we have asked NMDC as a major role player as it is used only by steel," she said.

STRATEGIC SALE OF SAIL PLANTS

Sharma said disinvestment in steel plants is under process.

"Some steps have to be taken. When the decision was taken, the situation was bad. But now things are different. There were some issues. It has given SAIL a good opportunity to consolidate," she said.

Global gold-price softening trend to last for months, not years: WGC

Strengthening of the dollar, not gold demand in India, is the main reason for global weakness in prices: WGC Chief Market Strategist

K R SRIVATS

New Delhi, August 20

The World Gold Council (WGC) sees the current softening trend in international gold prices lasting only for months rather than years, a top official said.

In the short term, a reversal of much of the price weakness in the gold markets since June this year can be expected, John Reade, Chief Market Strategist, WGC, told *BusinessLine* here in an interview.

The weakness in international gold prices has nothing to do with the demand situation in the Indian gold market, which he said was expected to be quite 'orderly and stable' this year.

"I am not too negative on the prospects for gold," said Reade, one of the pre-eminent gold analysts in the world.

Reade also made it clear that the price movements in gold had nothing to do with China's imports or American coin buying or Germany's investments.

John Reade, Chief Market Strategist, World Gold Council

Although the dollar price of gold had dropped by 5 per cent (averaging about $1,200 per ounce), the Indian gold price has gone up 8 per cent (mainly due to rupee depreciation).

"If you look at it from the point of view of the Indian consumer or the trader, the gradient has been 13 per cent," said PR Somasundaram, Managing Director, WGC India.

Although India's gold imports had fallen to 339 tonnes in the first six months this year as against 380 tonnes in the same period last year, the second half is expected to be better and take the overall level to 700-800 tonnes this year, according to Somasundaram.

Dual factors

Reade attributed the weakness in international gold prices to two factors — both emanating from the US. These two factors are an increase in real interest rates and reduction in the US Fed's balance sheet, leading to strengthening of the US dollar.

The Trump administration's short-term growth policies also helped the strengthening of the dollar this year, he noted.

The dollar strengthening and interest-rate hikes in the US are the two significant short-term drivers of gold prices. Of the two, the dollar is usually more important. "It is interesting that in the last 18 months, the dollar was not the most significant until about February-March this year", Reade said.

Although the dollar price of gold has dropped by 5 per cent (averaging about $1,200 per ounce), the Indian gold price has gone up 8 per cent, mainly due to the rupee's depreciation

He added that earlier real interest-rate changes and perceptions about long-term growth in the US were proving to be more important than the US dollar. "That's now flipped back to a more normal relationship, where the strength of the US dollar is more important," he said.

He added that the end of the period of dollar strengthening was closer rather than the beginning. He also felt the current trend of dollar strengthening could end abruptly.

Reade said that the US Fed had already gone in for two rate hikes and that the WGC has pencilled in two more before the end of this year. He doesn't expect the gold market to be overly affected by US interest rate hike decisions. "It seems clear that the Fed is going to hike at every alternate meeting until there are signs of stress upon the real economy," he said.

Reade said that the WGC is looking at the main drivers of gold prices and was doing lot of work to isolate short- and long-term drivers of gold prices to see what actually changes the gold prices.

The finding is that the short term driver of gold is always "macroeconomic" conditions and parameters, while in the long run it is the fundamentals of the markets that decide gold prices, according to Reade.

"We will soon be publishing to show the attribution of returns in gold and what their drivers are," he said.

By 'fundamentals' of the market, Reade said that he meant people who buy gold for jewellery or for investment and generally hold onto it for a decent length of time. "For the short term, the fundamentals of markets don't really matter," he said.

THE HITAVADA DATE : 21/8/2018 P.N.11

'Non-coking coal consumption may grow to 1,076 MT in FY23'

MUMBAI, Aug 20 (PTI)

NON-COKING coal consumption is likely to grow at a compound annual growth rate (CAGR) of 5.4 per cent to 1,076 million tonne (MT) in fiscal year 2022-23, from 826 MT in fiscal year 2017-18, driven by a 6.5 per cent growth in coal-based power generation, a report said.

The domestic supply is also expected to clock a CAGR of 7 per cent to 931 MT in FY23, from 664 MT in FY18, ratings agency Crisil said in its report.

"The growth will ride on increased production from Coal India (CIL) and commissioning of large captive coal blocks such as Pakri Barwadih, Parsa East and Kente Basan (15 MTPA each), primarily allotted to public sector undertakings," it said. Consequently, Crisil said, the share of imports in non-coking coal consumption is forecast to fall to 13.4 per cent in FY23, from 19.6 per cent in FY18. In absolute terms, non-coking coal imports are estimated to decline to 145 MT in FY23, from 162 MT in FY18.

Crisil also expects domestic coal prices to increase 10-12 per cent by FY19, led by hike in prices of non-coking coal for both power and non-power sectors by CIL from January 9 by 12-15 per cent across grades. Power sector imports are projected to cross 75 MT by FY23, driven by demand from imported coal-based plants as their plant load factors (PLFs) improve following growth in power demand, according to the agency. However, non-power sector imports are expected to decline to 70 MT due to improvement in domestic supply post linkage auctions and development of key captive blocks allocated to non-regulated sector, it said. Growth in steel production is expected to push up demand for metallurgical coking coal to 65 MT in FY23, from 51 MT in FY18, logging a CAGR of 5 per cent, according to Crisil.

THE ECONOMIC TIMES DATE : 22/8/2018P.N.15

Steel Cos Against Tariff Sops to China

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Kolkata: Domestic stainless-steel players have urged the government against giving any tariff concessions to China as a part of RCEP (Regional Comprehensive Economic Partnership) negotiations.

Industry body Indian Stainless Steel Development Association, led by the largest private company, Jindal Stainless (JSL), has sought a review of all the existing FTAs (free-trade agreement) with Japan, ASEAN and Korea which have proved detrimental to Indian interests. The industry feels there is a huge threat of stainless steel flat product dumping from Indonesia, China, Taiwan, Japan and Korea, all major exporters to the US and Europe. With those markets now blocked out, these countries will target India and the industry fears a return to the crisis in 2015-16 when imports had crossed half a million tonnes.

With a domestic output of around 3.4 million tonnes, India is one of the largest stainless-steel producers in Asia, while China leads the race with a 25.77 mt capacity, or more than half of the world's production of 48.08 mt. Faced with rising imports, downstream products like, stainless steel utensils, welded pipes and tubes are the worst hit.

"The stainless-steel industry needs government support to rein in imports, particularly under RCEP," said Abhyuday Jindal, managing director of JSL. "Our cost competitiveness is also affected by duty on raw material like stainless steel scrap which is not available in the country," he added. In contrast, China has a favourable duty structure on both raw materials and finished goods. While there are currently no trade remedial measures in place against Japan, the existing anti-dumping duties on Korea and Taiwan are low. Zero-duty benefits on stainless steel under the India-Korea and the India-Japan FTA are seen driving imports from these countries.

BUSINESS LINE DATE : 23/8/2018 P.N.12

MCX Nickel moves sideways

YOGANAND D
BL Research Bureau

The Nickel futures contract on the Multi Commodity Exchange (MCX) has been in a sideways movement since early July, between ₹910 and ₹970.

The contract is currently trading at ₹946/kg. After encountering a key resistance at ₹1,060 in early June this year, it has been on a medium-term downtrend. Within this downtrend, the contract is in a sideways movement.

An emphatic break above the upper boundary at ₹970 and the next significant resistance placed at ₹1,000 need to be breached decisively to alter the downtrend and take the contract northwards to ₹1,025 and ₹1,050 in the medium term.

With the contract gradually moving higher a sharp fall looks unlikely at the moment. Traders with a medium-term perspective can continue to hold long positions taken earlier with a stop-loss at ₹910 and consider accumulating on a strong rally beyond ₹970. Medium-term targets are ₹1,000 and ₹1,025. Revise the stop-loss higher to ₹960 as the contract moves higher to ₹1000 levels.

On the other hand, if the contract fails to move beyond the immediate resistance at ₹970, the sideways movement will continue for a while. In that scenario, the contract could extend its sideways movement in the band between ₹910 and ₹970. But a downward breakthrough of the lower boundary at ₹910 will strengthen the medium-term downtrend and drag the contract down to ₹890. A further fall below this base level can pull the contract down to ₹865 and ₹850.

Note: The recommendations are based on technical analysis. There is a risk of loss in trading.

BUSINESS LINE DATE : 24/8/2018 P.N.14

MCX Lead in corrective rally

YOGANAND D
BL Research Bureau

The Lead futures contract on the Multi Commodity Exchange (MCX) recorded a 52-week low of ₹137.25 per kg on August 20 and found support at this low.

The contract has reversed higher subsequently and has been in a near-term upmove since then. It has advanced 0.7 per cent in today's session and trades at around ₹141.2 per kg.

The contract has a key resistance ahead at ₹143 and this resistance could limit the upside in the near term, leading to a sideways movement in the range between ₹137 and ₹143 for a while.

Following a sharp fall in the previous week, the contract is now in a corrective rally.

A strong upward break-out of ₹143 will strengthen the upmove and extend the corrective rally to ₹147 and ₹150 levels.

Traders should tread with caution as long as the contract trades below ₹143 in the coming week. A strong breakthrough to ₹143 will be a positive cue to take long positions with a stop-loss at ₹140. Targets are ₹147 and ₹150 levels.

Since encountering a significant resistance level at ₹170 in late May and again in early June, the contract started to decline and has been in a medium-term downtrend.

To alter this downtrend, it needs to decisively move beyond the crucial trending-deciding band between ₹150 and ₹157. Such a break can push the contract higher to ₹163 and ₹167 over the medium term.

On the other hand, a plunge below the immediate support level of ₹137 can pull the contract down to ₹135 and ₹132 levels.

Note: The recommendations are based on technical analysis and there is a risk of loss in trading.

BUSINESS LINE DATE : 24/8/2018 P.N.14

Buy Comex gold at $1,180-85/oz

GNANASEKAAR T

Comex gold futures faltered on Thursday, under pressure from a stronger dollar as the US Fed reaffirmed its intentions to raise interest rates and trade tariffs between the US and China kicked in.

From the bottom at $1,045 in December 2015, Comex gold futures have been hitting highs, a clear sign of a rising trend, which has made us believe the bigger picture to be supportive despite strong corrective declines from time to time.

A positive trigger for the medium-term in sustaining the uptrend is likely to be above a close of $1,275. In the short term, we expect prices to range between $1,145-1,275 or even extend to $1,120-25 where good supports can be seen again. Only a close above $1,275 in the bigger picture could revive bullish hopes for $1,335 or even higher.

In the coming sessions crucial support will come into play around $1,175-85 and we expect prices to stabilise and reverse higher from there towards $1,205-10, or even higher to $1,235. Only a fall below $1,175 could force us to abandon our mildly bullish view.

Wave counts

We will take a look at the wave counts now and understand the possible scenarios that can unfold going forward. It is most likely that the fall from the all-time highs at $1,925 to the recent low of $1,088 so far, was either a possible corrective wave 'A', with a possibility to even extend towards $1,025-30 or a complete correction of A-B-C ending with this decline.

Subsequent to this decline, a corrective wave 'B' could unfold with targets near $1,375 or even higher. After that, a wave 'C' could begin lower again.

Alternatively, we can also expect wave 'B' to extend to $1,476. If the current decline as a whole from $1,920 can be considered as a fourth wave, then the fifth wave could begin and cross $1,700 in the long-term.

An eventual break above $1,355 could see the Wave 'B' scenario emerge in the coming sessions.

While $1,270 holds, we still favour prices rising higher towards $1,450-75 in the form of wave 'B'. We will reassess around $1,450-70 on the potential for a wave 'C' decline subsequently.

RSI is in the neutral zone hinting that it is neither overbought nor oversold. The averages in MACD are still below the zero line of the indicator again, indicating bearishness to be intact. Only a crossover again above the zero line could hint at a bearish reversal in trend.

Therefore, Buy Comex gold around $1,180-85 with a stop-loss at $1,170 targeting $1,210 followed by $1,235.

Supports are at $1,160, $1,145 & $ 1,1125 and resistances are at $1,195, 1,205 and 1,242.

The writer is the Director of Commtrendz Research. There is risk of loss in trading.

THE HITAVADA DATE : 25/8/2018 P.N.11

Vedanta to invest about $300-400 mn to expand Electrosteel's capacity

MUMBAI, Aug 24 (PTI)

METALS and mining giant Vedanta will spend around USD 300-400 million in recently acquired Electrosteel Steels to expand its capacity to 2.5 million tonnes per annum (mtpa), a top company official said.

This investment will be part of the company's overall USD 8-billion (about Rs 56,000 crore) capex plan over the next three years, according to Vedanta Chairman Navin Agarwal.

"Electrosteel Steels is currently processing at a full capacity of 1.5 mtpa, and we will soon start work to expand capacity to 2.5 mtpa at a very nominal capex of USD 300-400 million," Agarwal told reporters on the sideline of the firm's annual general meeting (AGM) on Friday.

In March, Vedanta acquired assets of Electrosteel Steels, which marked its entry into steelmaking in India. "Our acquisition of Electrosteel has lot to do with the integration of our iron ore business," said Agarwal.

Replying to a query on the firm's troubled copper smelter at Tuticorin in Tamil Nadu, Agarwal said, "At this time our endeavour is to restart the copper smelter and discussion of expanding will happen afterwards."

The Tuticorin plant has been closed since May after 13 people were killed in a police firing during protests against the plant on allegations of it causing health and environmental issues.

THE HINDU DATE : 25/8/2018 P.N.13

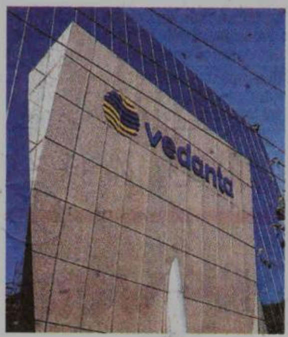
Vedanta to invest up to $8 billion in oil, metals

Urges roll-out of new mineral policy

SPECIAL CORRESPONDENT
MUMBAI

Vedanta Ltd. is planning invest as much as $8 billion or ₹56,000 crore in expanding its oil and energy businesses in India.

"As India's largest private sector oil producer, Vedanta Limited contributes 27% to the domestic production and aspires to take it up to 50%," said Navin Agarwal, chairman, Vedanta Ltd.



Seeks policy changes

"Towards this, Vedanta Limited will be investing $3-4 billion over the next 2-3 years, in various growth projects," he said adding the company would invest a further $3-4 billion in its zinc, lead,silver and aluminium businesses. Advocating changes on the policy front, Mr. Agarwal, addressing the 53rd AGM of the company, said that the need of the hour was to bring further changes in policies for natural resources sector, particularly the implementation of the much-awaited New Mineral Policy and ensure a level-playing ground on imports and duties.

THE ECONOMIC TIMES DATE : 27/8/2018 P.N.5

MOVE TO SAVE ₹30-40 CRORE EVERY YEAR

Tata Steel Set to Scrap Bhushan Steel-Energy Deal

Cancellation of power purchase deal was part of the ₹35,000-cr resolution plan approved by NCLT

Suman Layak & Baiju Kalesh

Mumbai: Tata Steel has started the process of cancelling power purchase agreements (PPAs) between Bhushan Steel, a company it acquired through bankruptcy resolution proceedings, and Bhushan Energy in a bid to cut costs.

Scrapping the agreement for Bhushan Steel to buy power from Bhushan Energy will save India's second-largest steel maker ₹30-40 crore every year, two people with knowledge of the development said. The Tatas had earlier revoked an office lease agreement between Bhushan Steel and its former promoters.

The cancellation of the power purchase agreements was part of the ₹35,000-crore resolution plan approved by the National Company Law Tribunal on May 15, 2018. The Bhushan Energy (BEL) resolution professional had opposed the cancellation and had sought the company's inclusion as an operational creditor of Bhushan Steel (BSL).

"We have sought reasons through a notice to BEL why the PPAs between BSL and BEL cannot be terminated," one person said. BEL is a subsidiary of BSL, promoted by Neeraj Singal, and is under bankruptcy proceedings.

Tata Steel has decided to cancel the PPAs because BSL can buy power from the grid at a lower cost, as it has to keep paying the network a certain amount even if it purchases electricity from BEL, the people said. They indicated that the move to cancel the PPAs can bring the current or future BEL management to the negotiating table to work out terms that are more favourable to BSL.

The resolution professional for BSL, Deloitte Consulting refused to comment on the development.

Tata Steel spokesperson Kulvin Suri did not respond to an emailed questionnaire and phone calls seeking comment.

There may well be a case for more favourable terms for BSL. The NCLT order of May 15 revealed some details of the PPAs, including a clause stipulating that in case the agreement is cancelled, BSL will help BEL route the power to the grid. It requires BSL to compensate BEL if it incurs a loss of revenue by selling power to a third party.

The PPA states BSL will make a certain minimum payment to BEL to enable it to keep operating and such payments would be adjusted against future power purchases. In June 2017, BEL had written to BSL seeking to revise tariff upwards, with effect from April 1, 2017, to meet lenders' demands. Last year, before BEL went into insolvency, it presented claims in excess of ₹114 crore to the resolution professional of BSL.

Some stock market experts said BSL's new owner has no option but to ramp up production and cut costs.

"BSL is a perfect fit for Tata Steel, especially when you compare this to the cost of a new plant... all they need to do now is to ramp up production and weed out whatever was wrong at Bhushan, like the inter-promoter group lease agreement or the inter-group PPAs," said Sudip Bandyopadhyay, founder of Inditrade Capital, a financial services firm. "While BSL is a good fit, I feel they are better off without Bhushan Power & Steel."

Tata Steel and rival JSW Steel are fighting a legal battle to purchase Bhushan Power & Steel from the bankruptcy court.

Tata Steel had earlier cancelled a rental agreement for office space with the former promoters of BSL, leading to annual savings of ₹72 crore, ET had reported on August 6.

BEL operates a coal-fired 485MW power plant within the BSL premises at Dhenkanal in Odisha. There are two power purchase agreements between the two companies. The first sets the price of power at the higher of ₹2.50 per unit or the cost of generation. The second stipulates a price that is the higher of ₹3.35 per unit or the grid power rate.

BUSINESS LINE DATE : 27/8/2018 P.N.8

Gold bounces back after seven-week fall

And hints at the possibility of a relief rally

GURUMURTHY K

After falling for seven consecutive weeks, gold got a breather finally last week. The yellow metal reversed sharply higher to make its first positive weekly close since July.

The global spot gold prices began the week on a positive note and tested the psychological $1,200 per ounce mark in the middle of the week. Though the prices reversed lower to make a low of $1,183, the downmove was short-lived.

Gold recovered from the low and reversed sharply higher to close the week 1.8 per cent higher at $1,205.

On the domestic front, the gold futures contract on the Multi Commodity Exchange (MCX) moved in tandem with the global prices. The MCX-Gold futures contract surged 1.9 per cent and closed the week at ₹29,903 per 10 gm.

Easing tension

Trade talk between the US and China gave a relief to the market in the initial part of the week. It dragged the US dollar index about 1.5 per cent lower from a high around 96.4 to a low 94.93 in the first part of the week.

Though the index managed to reverse from this low, the US Federal Reserve Chairman Jerome Powell's speech on Friday played a spoil-sport.. The Fed Chairman saying that gradual increase in interest rate is appropriate, gave a hint to the market that the US may continue with the current rate hike plan and will not increase the pace. The dollar index fell back again on Friday and triggered a sharp rally in gold and helped it to recover from the week's low of $1,183 and close the week on a positive note.

Dollar outlook

The volatile oscillation between 95 and 97 over the last three week leaves the near-term outlook mixed for the US dollar index. If the index (95.15) manages to sustain above 95, it can move up to 96.5 or 97 in the coming days. Such a bounce can cap the upside in gold and drag the prices lower.

On the other hand, if the dollar index declines below 95, a fall to 94 is possible. In such a scenario, gold can sustain above $1,200 and can move higher in the coming days.

Gold outlook

The global spot gold ($1,205 per ounce) has an immediate support at $1,200 and then key supports in the $1,195-1,190 region. The price action on the chart suggests that gold is likely to sustain above $1,190 and a fall below this level is less probable.

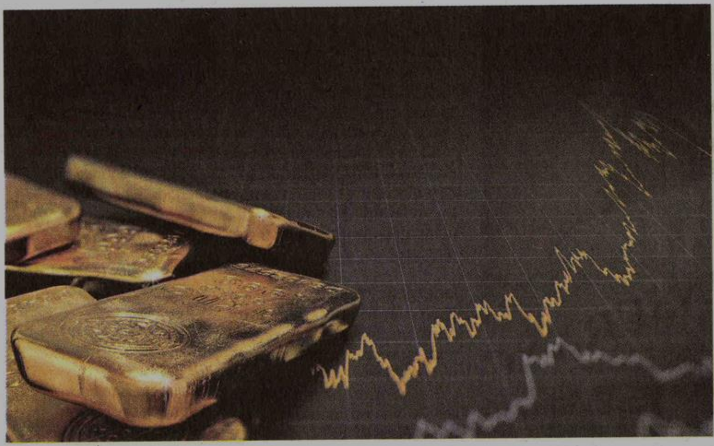
As such, there is a strong likelihood of the current upmove extending to $1,220 in the near-term. A strong break above $1,220 will then increase the likelihood of the contract targeting $1,230 and $1,240 thereafter.

The yellow metal will come under pressure again only if it breaks below $1,190 decisively. Such a break can drag it to $1,180 or even lower.

On the domestic front, the near-term outlook for the MCX-Gold (₹29,903 per 10 gm) futures contract is positive. The contract has sustained well above ₹29,500 last week. Key supports are at ₹29,775 and ₹29,500 which are likely to limit the downside.

A rally to ₹30,100 or ₹30,250 is likely in the near-term. A strong break above ₹30,250 will then pave way for the next target of ₹30,600.

The contract will come under pressure only if it breaks below ₹29,500 decisively. Such a break can drag it to ₹29,200 or ₹29,000 .



Silver subdued

Silver under-performed in the past week compared to gold. The global spot silver prices closed the week at $14.82 per ounce and were up just 0.11 per cent. The MCX-Silver futures contract was up 0.6 per cent for the week. It has closed at ₹37,004 per kg.

The weekly candle pattern of the global spot silver reflects indecisiveness in the market. It also leaves the immediate outlook unclear for silver. Cluster of resistances are poised in between $14.8 and $15. Silver is likely to gain momentum only if it breaks above $15 decisively. Such a break will boost the momentum and will take the prices higher to $15.25 and $15.5. Support is at $14.5. A strong break below it will increase the likelihood of the prices falling to $14.25 and $14.

The MCX-Silver (₹37,004 per kg) was range-bound between ₹36,500 and ₹37,200. A break above ₹37,200 can take it higher to ₹37,600 initially.

A strong break and a decisive close above ₹37,600 will ease the downside pressure and will pave way for ₹38,200 and ₹38,500.

On the other hand, if the contract declines below ₹36,500 it can fall to ₹36,000.

MCX Gold

Supports
₹29,775, ₹29,500
Resistances
₹30,250, ₹30,600

MCX Silver

Supports
₹36,500/ ₹36,000
Resistances
₹37,200 / ₹37,600

THE ECONOMIC TIMES DATE : 28/8/2018 P.N.12

INDUSTRY EXPECTS A HIKE OF ₹1,500 PER TONNE OVER NEXT TWO MONTHS

Steelmakers to Raise Prices as Input Costs Rise on Rupee Depreciation

Vatsala.Gaur@timesgroup.com

Mumbai: Domestic steelmakers are set to increase prices from next month as a historical currency erosion drives up costs of imported raw material.

The increase is also the result of attempts by manufacturers to plug the gap between domestic and international steel prices. Currently, Indian steel prices are at a 5-8% discount to the prevailing rate overseas.

"The currency impact is playing out in the import of coking coal, international purchases as well as on imported fuel, which is having an indirect effect by way of logistics costs going up," said Jayant Acharya, director of commercial and marketing at JSW Steel. "In view of this, we are looking at raising prices over the next two months. Longer term and quarterly auto contracts with renegotiated terms will come into effect from October."

The price of imported coking coal, a key raw material in steelmaking, has increased 14% since June (on a year-on-year basis). Prices of graphite electrodes, including those that are imported, have increased 16%. Prices of iron ore, largely produced domestically, have gone up 11% and iron ore fines prices by merchant miners in Odisha rose by ₹900 per tonne.

The industry expects a price rise of ₹1,500 per tonne for both hot rolled coils in flat products as well as downstream products. For long products, the increase may be more.

Ranjan Dhar, chief marketing officer at Essar Steel, said this may affect the second-quarter earnings of steel companies. "After stellar first-quarter results for steel companies, the second quarter may lack the same lustre because of the cost-push inflation," Dhar said.

The increase follows a depression in prices attributed to seasonality on account of the monsoon season, when construction slows down. Additionally, steel traders that engage in arbitrage imported almost 120,000 tonnes of steel, which put downward pressure on prices, and the increases will be from that level.

"The traders imported at a loss and have depressed prices. There should be a more symbiotic relationship between mills and traders for the objective of 'Make in India' to succeed," Dhar said.

The situation in China, the world's biggest steel producer, has been stable, preventing volatility in prices.

"For the last six to seven months, there has not been much fluctuation in China steel prices, which is expected to sustain with the mill closures happening mostly in the unorganised steel sector," said Goutam Chakraborty, an analyst for metals at Emkay Securities. "With demand coming from infrastructure also holding, there is a case for the price hike." Chakraborty added that the level of imports by India has also gone up, supported by domestic demand.

THE HITAVADA
DATE : 28/8/2018 P.N.11

Gold hits Rs 31k amid festive buzz

NEW DELHI, Aug 27 (PTI)

GOLD hit the Rs 31,000-mark on Monday by gaining Rs 100 to trade at over one month high on persistent buying by local jewellers amid festive buzz, even as the yellow metal weakened overseas.

Silver also advanced by Rs 50 to Rs 38,300 per kg due to increased offtake by industrial units and coin makers.

In the National Capital, gold of 99.9 and 99.5 per cent purity climbed Rs 100 each to Rs 31,000 and Rs 30,750 per 10 gram, respectively, a level last seen on July 17.

The precious metal had gained Rs 280 in previous two days. Sovereign however remained unaltered at Rs 24,500 per piece of 8 gram in limited deals.

Following gold, silver ready strengthened by Rs 50 to Rs 38,300 per kg and weekly-based delivery by Rs 150 to Rs 37,150 per kg.

Silver coins maintained steady trend at Rs 72,000 for buying and Rs 73,000 for selling of 100 pieces.

BUSINESS LINE DATE : 28/8/2018 P.N.16

MCX-Aluminium may test key resistance level

GURUMURTHY K
BL Research Bureau

The aluminium futures contract on the Multi Commodity Exchange (MCX) has been inching up over the last week, rising over 2 per cent from its low at around ₹142 per kg. It is currently trading at ₹145 per kg.

The price action suggests that the bias is turning bullish for the contract. The 21-day moving average at ₹142 is limiting the downside. Resistance is in the ₹147-₹148 region, which is likely to be tested in the near term.

As long as the contract trades above the 21-day moving average support, there is a strong likelihood of it breaking above ₹148. Such a break can take it higher to ₹151. A further decisive break above ₹151 will boost the momentum. In such a scenario, the contract can then extend the rally to ₹158 and ₹160.

On the other hand, if the contract fails to breach the ₹147-₹148 resistance region and reverses lower, a pull-back to ₹145 or ₹143 is possible.

The contract will come under pressure only if it declines below the 21-day moving average support.

Such a break can drag the contract lower to ₹139. A further break below ₹139 will then increase the likelihood of the contract falling to ₹135 or even lower.

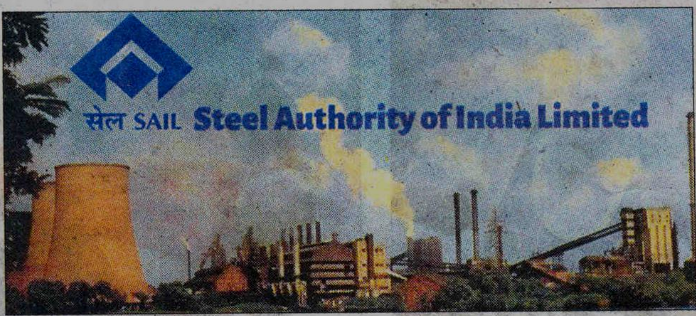
Traders with a big risk appetite and a medium-term perspective can go long at current levels and on dips at ₹143. A stop-loss can be placed at ₹140 for the target of ₹155. Revise the stop-loss higher to ₹146 as soon as the contract moves up to ₹149.

Note: The recommendations are based on technical analysis. There is a risk of loss in trading.

THE HITAVADA DATE : 28/8/2018 P.N.11

SAIL scouting for location in 3 states for autograde plant

NEW DELHI, Aug 27 (PTI)



STEEL PSU SAIL is considering locations in three states of Gujarat, Andhra Pradesh and Maharashtra to set up Rs 5,000-crore autograde steel plant in joint venture with ArcelorMittal, Steel Minister Chaudhary Birender Singh said on Monday.

"SAIL people say that there are three places they can consider for putting up that plant. One is Maharashtra, another one is in Gurajat and third is in Andhra (Pradesh)," the Steel Minister said.

The proposed plant would be set up in one of these three states, he told reporters after the release of the corporate sports policy for central public sector enterprises under the Steel Ministry. The auto-grade steel plant project with a capacity of 1.5 million tonnes per annum (MTPA) will be scaled to 2.5 MTPA, he added.

"A meeting was held about a month back which was attended by (Lakshmi Niwas) Mittal of ArcelorMittal and SAIL people. In that meeting both the parties agreed on one thing that the details will have to be worked out for finalisation of JV (joint venture)," the minister said.

According to official sources, negotiations were still underway with regard to detailed technical agreements of the joint venture.

Domestic steel giant SAIL in December last year announced that its board had approved a proposal to enter into a joint venture with the world's largest steelmaker ArcelorMittal for manufacturing high-end automotive steel. The PSU had also said that definitive agreements in that regard would be finalised in the due course subject to financial viability.

SAIL and ArcelorMittal had entered into an MoU in May 2015 to explore the possibility of setting up an auto-grade steel manufacturing facility under a joint venture in India.

BUSINESS LINE DATE : 28/8/2018 P.N.17

SAIL scouting locations in three States for steel plant

₹5,000-cr JV with ArcelorMittal

PRESS TRUST OF INDIA

New Delhi, August 27

Steel PSU SAIL is considering locations in Gujarat, Andhra Pradesh and Maharashtra to set up ₹5,000-crore autograde steel plant in joint venture with ArcelorMittal, Steel Minister Chaudhary Birender Singh said on Monday.

"SAIL people say that there are three places they can consider for setting up that plant. One is in Maharashtra, another one in Gurajat and the third is in Andhra Pradesh," the Steel Minister said.

Corporate Sports Policy

The proposed plant will be set up in one of these three States, he told reporters after the release of the Corporate Sports Policy for central public sector enterprises under the Steel Ministry.

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JV agreement

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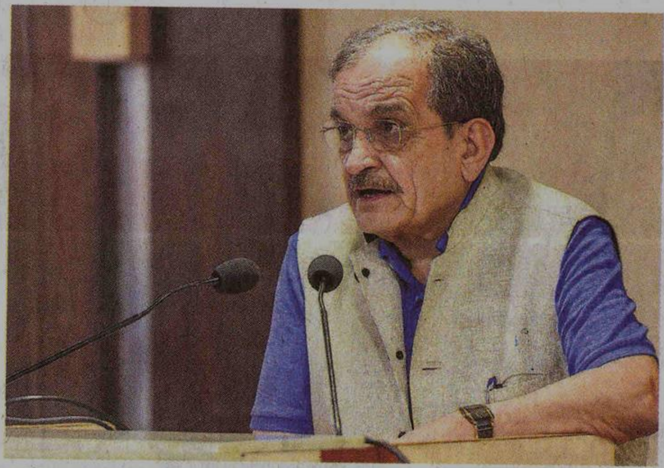

Steel Minister Chaudhary Birender Singh addressing the media after the release of the Corporate Sports Policy in New Delhi on Monday PTI

BUSINESS LINE DATE : 29/8/2018 P.N.16

The near-term outlook for MCX-Zinc is bullish

GURUMURTHY K
BL Research Bureau

The Zinc futures contract on the Multi Commodity Exchange (MCX) has risen sharply higher in the past week. The contract has surged 5 per cent from ₹171 per kg to the current levels of ₹179.5. The strong rally in the past week has taken the contract well above the key near-term resistance level of ₹175.

The contract will come under pressure again only if it declines below ₹175. A break below ₹175 can take the contract lower to ₹170 or even to ₹165 again. In such a scenario, a range-bound move between ₹165 and ₹175 can be seen for some time.

However, the price action on the chart leaves the bias positive. The near-term outlook will remain bullish as long as the contract sustains above ₹175. A rise to test the resistance at ₹182 is likely in the near term. A strong break above this hurdle will then increase the likelihood of the contract targeting ₹187 or ₹188 over the short term.

Such a rally to ₹187 and ₹188 will also ease the downside pressure. It will also be an initial sign indicating that the downtrend that has been in place since February is getting reversed. As such, the price action in the coming weeks will need a close watch to get a cue on whether the downtrend in zinc has bottomed or not.

Note: The recommendations are based on technical analysis and there is a risk of loss in trading.

NAVBHARAT DATE : 29/8/2018 P.N.11

कच्चे इस्पात का उत्पादन 5.4 प्रश बढ़ा

एजेंसियां

दिल्ली. भारत का कच्चे इस्पात का उत्पादन चालू कैलेंडर साल के पहले सात महीनों जनवरी-जुलाई के दौरान 5.4 प्रतिशत बढ़कर 6.18 करोड़ टन पर पहुंच गया. विश्व इस्पात संघ ने कहा कि इससे पिछले साल की समान अवधि में कच्चे इस्पात का उत्पादन 5.86 करोड़ टन रहा था. जुलाई में भारत का कच्चे इस्पात का उत्पादन 8.4 प्रतिशत बढ़कर 90 लाख टन रहा. जुलाई, 2017 में यह 83 लाख टन रहा था. जुलाई के दौरान दुनिया के 64 देशों में कच्चे तेल का कुल उत्पादन 5.8 प्रतिशत बढ़कर 15.46 करोड़ टन रहा. चीन का उत्पादन जुलाई में 7.2 प्रतिशत बढ़कर 8.12 करोड़ टन रहा. वहीं जापान का उत्पादन जुलाई में दो प्रतिशत घटकर 84 लाख टन पर आ गया. सरकार ने इससे पहले कहा था कि भारत का कच्चे इस्पात का उत्पादन इस साल के अंत तक 38 प्रतिशत बढ़कर 14 करोड़ टन पर पहुंच जाएगा. देश का कच्चे इस्पात का उत्पादन 2017 में 10.14 करोड़ टन रहा था.

3 खदानों की नीलामी से मिले 2600 करोड़

13 खदानें नीलामी के लिए तैयार

राज्य को होगी हजारों करोड़ रुपये की आय

50 वर्षों तक मिलती रहेगी राशि

सूत्रों ने बताया कि राज्य सरकार को लीज देती है, वह 50 वर्षों के लिए देती है. इसलिए खदान आक्शन करने के पूर्व काफी सोच विचार किया जाता है. एक बार लीज देने के बाद राज्य सरकार की तिजोरी में 50 वर्षों तक आय होती रहती है.

व्यापार प्रतिनिधि

नागपुर. राज्य सरकार को खदानों की नीलामी में अकूत धन मिलने लगा है हाल ही में भूतत्व एवं खनन निदेशालय ने 3 खदानों की नीलामी की थी, जिसमें राज्य सरकार के खाते में 2600 करोड़ रुपये अतिरिक्त मिले हैं. विभाग को उम्मीद है कि आने वाले दिनों में जो 13 अन्य खदानों की नीलामी होनी है, उससे राज्य की तिजोरी में हजारों करोड़ रुपये का राजस्व आएगा. ई-आक्शन प्रणाली होने से राज्य में काफी तेज वृद्धि देखने को मिल रही है. पूर्व में आय इतनी नहीं हो पाती थी. इसे एक अच्छा संकेत माना जा रहा है. उक्त आय रायल्टी के अतिरिक्त है. सूत्रों ने बताया कि अप्रैल माह के दौरान विभाग की ओर चंद्रपुर स्थित सेनांदगांव ईकोडी की नीलामी की गई, जिसमें लक्ष्य से 125 फीसदी ज्यादा आय प्राप्त हुई है. यह खदान लाइमस्टोन के लिए हैं. इसी प्रकार नागपुर के गुगुलडोह खदान की नीलामी में लक्ष्य राशि से 55 फीसदी ज्यादा आमदनी हुई है. यह खदान मैंगनीज ओर की है. तीसरी खदान है चिताले वाटंगी. विभाग को मिले रिस्पांस ने सरकार का उत्साह बढ़ाया है. विभाग को लग रहा है कि इसी क्षमता के अन्य खदानों की भी नीलामी अगले माह होने जा रही है, जिसमें अच्छी खासी आय हो सकेगी.

यह हैं नीलामी के लिए तैयार

ब्लाक	खनिज	क्षेत्र (हेक्टेयर)	क्षमता (एमटी)
घोदीपिवाडी-हुमदरा	बाक्साइट	120.48	2.365
नानार	बाक्साइट	144.95	7.94
थानेवासना	कापर	768.62	8.02
गुगुलडोह	मैंगनीज	105.00	0.44
पारशिवनी	मैंगनीज	44.00	0.16
पारडी	लाइमस्टोन	71.00	1.94
गोजोली-सोमानपल्ली	लाइमस्टोन	698.40	43.40
लोहारडोंगरी	आयरन ओर	35.73	1.48
देवलमारी-काटेपल्ली	लाइमस्टोन	537.54	149.50
दुबारपेठ-कारंजी	कापर	816.29	1.34
घुनगुर ब्लाक-1	बाक्साइट	14.24	0.80
घुनगुर ब्लाक-2	बाक्साइट	10.65	0.32

लगेगी ऊंची बोली

2600 करोड़ मिलने के बाद अन्य 13 खदानों की नीलामी से अपेक्षा काफी बढ़ गई है. विभाग को उम्मीद है कि 13 खदान हजारों करोड़ रुपये में जाएगा, जिससे राज्य सरकार की तिजोरी मजबूत होगी. विभाग ने पूर्व में जो अनुमान रखा था, उसे पुनः बदला गया है. यह राशि बहुत बड़ी बताई जा रही है, क्योंकि कुछ खदानें आकार और स्टाक के मामले में काफी बड़ी हैं. इन खदानों में ही लोग हजारों करोड़ की बोली लगाएंगे.

राज्य में उत्पादन

1960 में महाराष्ट्र में 14.70 लाख टन खनिज का उत्पादन होता था, जिससे राज्य को 515 लाख रुपये की आय होती थी, परंतु आज उत्पादन 540 लाख टन के पार पहुंच गया है और इससे राज्य सरकार को प्रतिवर्ष लगभग 8000 करोड़ रुपये से अधिक की आय हो रही है. मैंगनीज ओर, आयरन ओर, कोयला, लाइमस्टोन, बाक्साइट आदि मुख्य खनिजें हैं, जिससे राज्य सरकार को मुख्य रूप से आय होती है.

THE HITAVADA (CITYLINE) DATE : 30/8/2018 P.N.10

Refined copper production falls 47%

■ Business Bureau

DOMESTIC refined copper production declined by 47.1 per cent in the first quarter this fiscal, mainly on account of Vedanta's copper smelter plant shutdown at Tuticorin, Care Ratings said on Tuesday.

During the quarter, the output of Hindustan Copper (HCL) and Hindalco was also restrained due to shutdown of their smelters for maintenance purposes.

"Domestic refined copper production has fallen by 47.1 per cent during Q1-FY19. Fall in production is mainly attributable to the shutdown of the 400 KT, Tuticorin smelter which accounted for 40 per cent of the country's copper smelting capacity," the rating agency said in a statement. The drop in domestic production has led to the domino effect of a sharp increase in the country's imports and fall in the exports.

"Exports have fallen by 91.6 per cent (it had increased 70.1 per cent in the first quarter previous fiscal), whereas imports have increased by 221.6 per cent (it fell 69.9 per cent in April-June quarter last year). India imported refined copper from, Japan (66 per cent), Congo (22 per cent), Switzerland (5 per cent), Tanzania (5 per cent), South America (one per cent) & UAE (one per cent) and exported refined copper to China (58 per cent), South Korea (30 per cent), Bangladesh (6 per cent) and Malaysia (6 per cent) during Q1-FY19," it said.

Share of exports towards China decreased to 58 per cent in the first quarter of FY19 compared to 63 per cent during the same period in FY18.

"Share of imports from Japan has increased from 33 per cent during Q1-FY18 to 66 per cent during Q1-FY19," it said. Domestic consumption has been subdued on account of copper being substituted by aluminium, it said.

The Tamil Nadu Government had in May ordered the state Pollution Control Board to seal and "permanently" close the Vedanta Group's copper plant in Tuticorin following violent protests over pollution concerns during which 13 people were killed in police firing.