KHANIJ SAMACHAR

Vol. 8, No-20

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KHANIJ SAMACHAR

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VOL. 8, NO – 20, 16th – 31st OCTOBER 2024

LOKMAT DATE:17/10/2024 P.NO.1

सोन्याचा पुन्हा विक्रम; जीएसटीसह ७९,४१३

दरवाढीनंतरही खरेदी : गुंतवणुकीची योग्य वेळ

मोरेश्वर मानापुरे
लोकमत न्यूज नेटवर्क

नागपूर : वर्षभरात दहा ग्रॅम शुद्ध सोन्याचे दर १७,३०० रुपयांनी वाढले. अर्थात सोन्याच्या गुंतवणुकीवर ग्राहकांना वर्षभरात ३० टक्के परतावा मिळाला. सोन्याच्या दराने दि. १७ ऑक्टोबरला विक्रम केला. ३ टक्के जीएसटीसह २४ कॅरेट दर ७९,४१३ रुपयांवर पोहोचले. दरवाढीनंतरही सराफांकडे ग्राहकांची गर्दी असून, गुंतवणुकीची हीच वेळ असल्याचे या क्षेत्रातील तज्ज्ञांचे मत आहे.

केंद्रीय अर्थसंकल्पानंतर ८,४०० रुपयांची वाढ

यंदा दि. २३ जुलैला सादर झालेल्या केंद्रीय अर्थसंकल्पात सोन्यावरील सीमाशुल्कात ६ टक्के कपात झाली. त्यानंतर २५ जुलैपर्यंत दहा ग्रॅम सोन्याचे भाव ६८,७०० रुपयांवर स्थिरावले. त्यानंतर पुन्हा वाढू लागले आणि १७ ऑक्टोबर रोजी जीएसटीविना ७७,१०० रुपयांवर पोहोचले. या दिवसात तब्बल ८,४०० रुपयांची वाढ झाली. त्यामुळे सोन्यातील गुंतवणूक सुरक्षित असल्याचा तज्ज्ञांचा दावा खरा ठरला. दि. १७ ऑक्टोबरला दहा ग्रॅम २२ कॅरेट सोन्याचे जीएसटीविना दर ७१,७०० रुपये आणि १८ कॅरेटचे दर ६०,१०० रुपये होते.

वर्षभरात चांदीत १९,४०० रुपयांची दरवाढ

ग्राहकांना वर्षभरात चांदीनेही चांगला परतावा दिला. चांदीचे प्रतिकिलो दर जीएसटीविना १९,४०० रुपयांनी वाढले. १७ ऑक्टोबर-२०२३ रोजी चांदी ७२,७०० रुपये, तर १७ ऑक्टोबर-२०२४ रोजी दर ९२,१०० रुपयांपर्यंत वाढले. ३ टक्के जीएसटीसह ९४,८६३ रुपयांची पातळी गाठली. केंद्रीय अर्थसंकल्पानंतर दि. २५ जुलैला भाव प्रतिकिलो ८२,२०० रुपयांपर्यंत कमी झाले होते.

सोने-चांदीत अशी झाली चढउतार

दिनांक	सोने	चांदी
१७ ऑक्टोबर-२३	५९,८००	७२,७००
१ ऑक्टोबर-२४	७६,४००	९२,२००
५ ऑक्टोबर	७६,१००	९३,५००
१० ऑक्टोबर	७५,५००	९०,५००
१५ ऑक्टोबर	७६,३००	९१,७००
१६ ऑक्टोबर	७७,०००	९३,०००
१७ ऑक्टोबर	७७,१००	९२,१००

(उपरोक्त भावावर ३ टक्के जीएसटी वेगळा)

दर एक लाखावर जाण्याची अपेक्षा

सोन्याचे दर ८० हजारांकडे वाटचाल करीत आहेत. गुरुवारी जीएसटीविना विक्रमी ७७,१०० रुपयांवर पोहोचले. दरवाढीनंतरही नागपुरातील सर्व सराफा दुकानांमध्ये ग्राहकांची खरेदीसाठी गर्दी आहे. वर्षभरात ३० टक्क्यांचा परतावा मिळाल्याने ग्राहकांमध्ये खरेदीचा उत्साह आहे. सोने एक प्रकारचे आंतरराष्ट्रीय चलन आहे. यावर्षीच्या अखेरपर्यंत दर एक लाखावर जाण्याची अपेक्षा आहे.

- राजेश रोकडे, सचिव, नागपूर सराफा असोसिएशन

BUSINESS LINES DATE:17/10/2024 P.NO.10

Zinc: Wait for dips to go long

Gurumurthy K
bl. research bureau

Zinc prices have been oscillating in a range for more than two weeks now. The zinc futures contract on the Multi Commodity Exchange has been trading in the ₹274-292 per kg range for over two weeks now.

Within this range, the price has been declining now. It is currently trading at ₹283 per kg.

COMMODITY CALL.

Support is at ₹270 for the contract. Resistance is around ₹295. So, ₹270-295 can be the wider trading range. Within this range, the chances are high for the price to fall in the coming days.

As such, we can expect the contract to reverse higher from the ₹275-270 support zone and rise back to ₹290-₹295 in the short-term.

In case the contract declines below ₹270, the downside can extend to ₹265.

The contract will gain bullish momentum if it breaks above ₹295 decisively. If that happens, the contract can rise to ₹315-320.

TRADE STRATEGY

Traders can wait for a fall and go long at ₹278 and ₹273. Keep the stop-loss at ₹267 initially. Trail the stop-loss up to ₹282 as soon as the contract goes up to ₹286.

Move the stop-loss further up to ₹287 when the price touches ₹290. Exit the long positions at ₹293.

BUSINESS LINES DATE:18/10/2024 P.NO.10

Aluminium futures retain positive bias

Akhil Nallamuthu
bl. research bureau

Aluminium futures (October) on the Multi Commodity Exchange (MCX) have largely been moving in a sideways trend over the past week. While the contract saw a decline in price in early October, the key support level curbed the fall and helped in a mild recovery.

COMMODITY CALL.

Currently trading at around ₹236, the nearest crucial support is ₹230. Also, the price is above the 50-day moving average, which is at ₹230 now.

The price region between ₹228 and ₹230 is a demand zone. The chart shows that aluminium is facing resistance at ₹245. Bulls ought to lift the price above ₹245 to regain momentum. In such a case, aluminium can rally to ₹255.

But if it falls below the support at ₹230, it can extend the fall to ₹220.

TRADE STRATEGY

We suggested buying aluminium October futures at an average price of ₹236. Hold on to this with a stop-loss at ₹228. Going ahead, when the contract surpasses ₹245, raise the stop-loss to ₹238. Tighten the stop-loss further to ₹245 when the price touches ₹250. Book profits at ₹255.

BUSINESS LINES DATE:19/10/2024 P.NO.2

Hindustan Zinc net profit up 35% to ₹2,327 cr

Our Bureau
New Delhi

Vedanta-owned Hindustan Zinc (HZL) reported a near 35 per cent increase in consolidated net profit to ₹2,327 crore for the quarter ending September 30, 2024. In the year-ago period, the company had posted a net profit of ₹1,729 crore.

Revenue from operations stood at ₹8,252 crore in Q2 FY25, up 22 per cent from ₹6,791 crore a year back.

EBITDA (earnings before interest, taxes, depreciation, and amortisation) stood at ₹4,164 crore in the quarter under review, up 33 per cent y-o-y from ₹3,122 crore in the corresponding period of the previous fiscal.

CASH FLOW

The company said in a statement that free cash flow from operations was ₹3,605 crore for Q2FY25 (pre capex of ₹1,004 crore).

As on September 30, 2024, the company's gross investments and cash and cash equivalents were ₹7,948 crore, which was invested in high quality debt instruments. Total borrowings outstanding as on September 2024 was ₹13,668 crore. During the quarter, HZL paid dividend of ₹8,028 crore.

BUSINESS LINES DATE:19/10/2024 P.NO.3

'Global steel demand to drop a tad in 2024'

Achuth Vinay
Chennai

The demand for steel worldwide will further drop by 0.9 per cent in 2024 but will likely see a broad-based recovery, except in China, and rebound by 1.2 per cent in 2025, the World Steel Association (worldsteel), whose members represent 85 per cent of global steel production, said.

In its latest short-range outlook, worldsteel said the demand will decrease to 1,751 million tonnes (mt) in 2024 but would climb to 1,772 mt in 2025. Earlier in the year, worldsteel in its short-range outlook forecast that demand will see a 1.7 per cent rebound this year to reach 1,793 mt.

The association had pegged 2023 crude steel at 1,831.5 mt, up 1.8 per cent compared with 2022.

The ongoing weakness in housing construction — which is driven by tight financing conditions and high costs — has been cited as the reason for the sluggish demand for steel. Martin Theuringer, Managing Director, German Steel Association and Chair of the worldsteel Economics Committee, said, "2024 has been a difficult year for global steel demand as the global manufacturing sector continued to grapple with persistent headwinds such as declining household purchasing power, aggressive monetary tightening, and escalating geopolitical uncertainties."

INDIA GOING STRONG

worldsteel made significant downward revisions to its 2024 steel demand outlook for most major economies, including China, reflecting the persistent weakness in manufacturing alongside lingering global economic headwinds.

The association predicts a notable decline in steel demand in China and most major developed economies in 2024. In stark contrast, it forecasts India to maintain

its strong momentum, with robust growth in steel demand projected for both 2024 and 2025. It maintained its robust growth projections for India, anticipating an 8 per cent increase in steel demand over 2024 and 2025, fuelled by growth across all steel-consuming sectors, especially by continued strong growth in infrastructure investments. In fact, the association is optimistic about the prospects of most developing economies. Most other major developing economies are expected to witness a rebound in steel demand in 2024, recovering from the slowdown experienced in 2022-2023, it said. It said steel demand in the developing world, excluding China, is projected to grow by 3.5 per cent in 2024 and 4.2 per cent in 2025.

But the developed world is set for a rather lacklustre 2024 and is projected to experience a 2 per cent decrease in steel demand in 2024, as major steel-using economies like the US, Japan, Korea and Germany face significant declines. However, there is optimism for 2025, with a projected growth of 1.9 per cent in developed world steel demand on the back of the long-awaited upturn in steel demand in the EU, and modest recoveries in the US and Japan.

worldsteel said demand in China continues to be bleak, due to the problems faced by the Chinese real estate sector. It said the ongoing downturn in the real estate sector is expected to dominate steel demand in China, resulting in a 3 per cent decline in 2024 and a further 1 per cent dip in 2025.

JSW's JV to buy steel unit of Thyssenkrupp India

In Addition To German Co's Nashik Facility, Deal Allows Licensing, Transfer Of Tech Too

Reeba.Zachariah
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Mumbai: JSW Steel, controlled by billionaire Sajjan Jindal, and its long-standing partner JFE from Japan have agreed to buy Thyssenkrupp's electrical steel unit in India for Rs 4,051 crore, bolstering their market position in the country.

₹4,051Cr Buy

- **JSW JFE Electrical Steel**, in which JSW and JFE have equal ownership, will be used for the **₹4,051cr** acquisition
- The cash transaction is expected to conclude **within eight months**, pending approval from CCI
- The deal allows JSW and JFE to enter the **electrical steel business** in India immediately
- Six years ago, **Thyssenkrupp** and **Tata Steel** had planned to combine their European steel business but the deal collapsed after the JV was blocked

The acquisition marks the end of Thyssenkrupp's more than two-decade involvement in the Indian electrical steel sector, as the German company now shifts its focus to other business interests such as engineering, slewing bearing, and aerospace.

The deal follows JSW's recent purchase of a 67% stake in Australian miner M Res NSW for $120 million in August. JSW and JFE have equal ownership in the vehicle, JSW JFE Electrical Steel, which will be used for the Thyssenkrupp acquisition.

The cash transaction is expected to be concluded within eight months, pending approval from the Competition Commission of India.

The JSW-JFE joint venture is also constructing an electrical steel facility in Bellary, Karnataka, with production set to begin in FY27.

Thyssenkrupp's electrical steel facility in Nashik — which generated a turnover of Rs 1,271 crore in FY24 — was initially acquired by the company in 2000 when it purchased a 76% stake in Raymond's electrical steel business.

After turning the business profitable, Thyssenkrupp acquired the remaining shares from Raymond and gained full control.

The Nashik facility is one of the first in India to produce grain-oriented electrical steel — a laminated or punched steel used as raw material in the production of power transformers due to its high efficiency in converting electricity energy.

The acquisition allows JSW and JFE to enter the electrical steel business in India immediately and enhances their value-added portfolio. In addition to the Nashik unit, JSW and JFE have entered into an agreement with Thyssenkrupp for the licensing and transfer of technology related to electrical steel.

Six years ago, Thyssenkrupp and Tata Steel had planned to combine their European steel business but the deal collapsed after the European Competition Commission blocked their joint venture.

A fresh breakout

BULLION CUES. Retain the long positions

Akhil Nallamuthu
bl. research bureau

Precious metals appreciated last week. In terms of dollars, gold was up 2.4 per cent as it closed at $2,720 per ounce. Silver rose 7 per cent and ended the week at $33.7 an ounce.

In the domestic market, gold futures (₹77,749 per 10 gm) was up 1.9 per cent and silver futures (₹95,402 per kg) appreciated 4 per cent.

MCX-GOLD (₹77,749)

Gold futures (December) saw a fresh breakout and hit a record high of ₹77,839 on Friday before closing at ₹77,749. The breakout has led to the contract confirming a bull flag pattern, according to which the price can rise to ₹80,000.

If gold futures decline from the current level, it can find support at ₹76,500. If ₹76,500 is invalidated, the contract can extend the decline to ₹75,000.

Trade strategy: We had recommended longs at ₹74,820. Since the contract has surpassed ₹77,000, the revised stop-loss would be at ₹75,800.

The initial target we suggested was at ₹78,000. Since the price action shows a strong positive momentum, and that there is a bullish pattern supporting a rally, we suggest revising the target up from ₹78,000 to ₹80,000.


GETTY IMAGES/ISTOCKPHOTO

MCX-SILVER (₹95,402)

Silver futures, which witnessed a slow start last week, gradually picked up momentum and rallied sharply, especially on Friday.

The chart shows that the silver futures has seen a fresh breakout and is likely to extend the rally to ₹1,00,000. If there is a decline from the current level, it can find support between ₹88,200 and ₹90,000.

Trade strategy: Hold the long positions that we suggested at ₹90,845. The revised stop-loss would be at ₹92,000. Since there are solid indications for the upswing to extend, change the target from ₹96,200 to ₹98,500.

BUSINESS LINES DATE:22/10/2024 P.NO.3

'National coal exchange ready to be launched'

Our Bureau
New Delhi

The government's aim to overhaul the decades-old production and supply structure providing more market access to commercial mines is close to fruition as the process for setting up a national coal exchange is progressing at a rapid pace.

Coal Minister G Kishan Reddy on Monday said that the exchange is expected to come up soon.

"We are working on it (coal exchange). Last week we did an internal review meeting on the progress. It is slated to come up soon for marketing and determination of prices," Reddy told reporters on the sidelines of a coal conference on mine developer and operators (MDOs).

Coal Minister G Kishan Reddy

ROBUST ECOSYSTEM

The Ministry's objective is to create a robust ecosystem that nurtures a transparent and competitive market.

To this effect, commercial coal mine auctions have begun and the next step is to create a national exchange in which miners can sell the coal mined by them employing innovative marketing strategies.

The proposed national exchange is aimed at moving forward in commercial coal mining and facilitates expansion as well as development of domestic coal markets. Exchange will also enable efficient market-based pricing mechanisms and facilitate price discovery.

The Ministry is also planning to create a regulator for the sector considering a coal exchange mandates the creation of a regulator.

The Ministry is holding discussions on the same.

THE ECONOMIC TIMES DATE:22/10/2024 P.NO.10

SPOT GOLD PRICES RISE 0.6% TO $2,735.38 PER OUNCE

Global Uncertainties Propel Gold to Fresh Highs; Silver Up, Too

Reuters

Gold rallied for a fifth straight day on Monday, hitting a record high on uncertainties around the US election, ongoing Middle East tensions, and expectations of central banks' interest rate cuts, while silver hit a near 12-year peak.

Spot gold gained 0.6% to $2,735.38 per ounce, as of 1112 GMT, after hitting an all-time high of $2,736.86 earlier in the session. US gold futures were 0.7% higher at $2,750.00.

"The uncertainty of the US presidential election outcome is one factor supporting hedging demand for gold, the other probably are the geopolitical tensions in the Middle East," UBS analyst Giovanni Staunovo said.

Uncertainties around US polls, Middle East tensions, and expectations of central banks' interest rate cuts weigh

The presidential race between former president Donald Trump and vice-president Kamala Harris is neck-and-neck in the seven battleground states that will decide the November 5 election.

Elsewhere, in the Middle East, hundreds of Beirut residents fled their homes as Israel prepared to attack sites linked to the financial operations of the Hezbollah group.

Gold, which is considered a hedge against political and geopolitical uncertainty, has risen 32% so far this year.

"Ongoing solid demand from central bank also supports gold, in my view. We look for gold to reach to $2,900/oz over the next 12 months, supported by further rate cuts by the Fed," Staunovo said.

Traders are pricing in a 90% chance of the US Federal Reserve lowering rates in November, according to the CME FedWatch tool. Gold tends to thrive in a low interest rate environment.

Sources told Reuters that the European Central Bank was likely to cut again in December, while British inflation slowed sharply last month, reinforcing bets of a Bank of England rate cut next month.

Helped by bullion's rally, spot silver rose 1.1% to $34.02 per ounce, its highest since late-2012.

There is little to stop silver's upward march if gold continues to set new highs, but any downside could turn the $32.55 resistance into a new support level, Kinesis Money said in a note.

Platinum rose 0.3% to $1,016.45 per ounce, its highest since mid-July. Palladium fell 0.9% to $1,070.25.

BUSINESS LINES DATE:22/10/2024 P.NO.3

Commercial coal auctions: 10th round witnesses bids for 16 out of 61 mines

Our Bureau
New Delhi

The Coal Ministry on Monday opened the bids for the tenth round and second attempt of the 9th and 8th round of commercial coal mines' auction. The round was launched on June 21, 2024, and the bid submission date was extended twice to give sufficient time to prospective bidders, Coal Ministry said.

The online bids were decrypted and opened electronically in the presence of the bidders. Subsequently, sealed envelopes containing offline bid documents were also opened in the presence of bidders.

Under this round, a total of 45 bids were received online, while only 44 bids have been received in physical form, it added.

"A total of 43 bids were received against 16 coal mines out of 61 coal mines offered in the 10th round. While, only 1 bid was received against 5 mines offered under the 2nd Attempt of 9th round and no bid received against 1 mine offered under the 2nd Attempt of the 8th round," the Ministry said.

The round was launched on June 21, 2024, and the bid submission date was extended twice to give sufficient time to prospective bidders, the Coal Ministry said

BIDDING FRENZY

The Ulia Gamhardih coal mine in Surguja district of Chhattisgarh received the highest 11 bids.

It was followed by the Kerandari BC North block, which received six bids. Gare Palma IV/5 coal mine in Raigarh District of Chhattisgarh received the third highest number of bids at five, while the Marwatola South coal block in Shahdol district of Madhya Pradesh received 3 bids.

A total of 31 companies have submitted their bids in the auction process. More than 10 new companies have participated for the first time under the commercial coal mine auction.

State-run NLC India (NLCIL) and SM Steels and Power have submitted 3 bids each, which is the highest. Whereas NTPC Mining, Lloyds Metals and Energy, UP Rajya Vidyut Utpadan Nigam, Sarda Energy and Minerals and Odisha Coal and Power have submitted two bids each.

The other notable companies participating in the 10th round of commercial coal auctions include Jindal Steel and Power, JSW Energy, JSW Steel, NMDC and Jharkhand Exploration and Mining Company.

The Coal Ministry has set a target of raising around ₹55,000 crore in the current financial year, ending March 2025, of which the major chunk of around ₹45,000 crore will be raised through commercial coal mine auctions. In FY14, the Ministry monetised ₹50,316.66 crore via auctions.

DAINIK BHASKAR DATE:22/10/2024 P.NO.9

भास्कर एनालिसिस • क्रिसमस से पहले अमेरिका और यूरोप में हीरों की डिमांड बढ़ेगी, दाम घटने की गुंजाइश कम

दो साल में नेचुरल डायमंड के दाम 40% घटे, लेकिन अब यह ट्रेंड पलटने वाला है, सप्लाई घटने के बीच 14% बढ़ गया निर्यात

भीम सिंह | नई दिल्ली

यूक्रेन-रूस युद्ध के चलते बीते दो साल में नेचुरल हीरे के दाम 40% घटे हैं। लेकिन अब यह ट्रेंड पलटने वाला है। कुदरती हीरे महंगे होने वाले हैं क्योंकि सप्लाई घटने के बीच डिमांड बढ़ने लगी है।

जेम एंड ज्वेलरी एक्सपोर्ट प्रमोशन काउंसिल (जीजेईपीसी) में डायमंड पैनल के संयोजक अजेश मेहता के मुताबिक, दो महीनों से कुदरती हीरों की मांग बढ़ने के स्पष्ट संकेत हैं। अगस्त में भारत से पॉलिश्ड डायमंड का निर्यात जुलाई के मुकाबले 14% बढ़ गया। जीजेईपीसी के चेयरमैन विपुल शाह ने भी कहा कि डायमंड इंडस्ट्री अभी ऐसे मोड़ पर है, जहां से दाम बढ़ने शुरू होंगे। अंतरराष्ट्रीय बाजार में हीरों की मांग बढ़ना इसकी वजह है। जाने-माने डायमंड एनालिस्ट पॉल जिमनिस्की के मुताबिक, मुश्किलों के बावजूद डायमंड का वैश्विक बाजार 6.7 लाख करोड़ रुपए का है। मौजूदा हालात चुनौतीपूर्ण लग सकते हैं, लेकिन 10, 20 और 30 साल में डायमंड इंडस्ट्री में ग्रोथ-निवेश की बड़ी संभावनाएं हैं। बढ़ती आबादी, मध्यम वर्ग का विस्तार और लोगों की आय बढ़ना इसकी वजह है।

सितंबर में 4% सस्ता हुआ हीरा: रैपनेट डायमंड इंडेक्स के मुताबिक, सितंबर में डायमंड के दाम 4.2% घट गए। सितंबर 2022 से अब तक हीरे 35-40% सस्ते हो चुके हैं। यानी दो साल पहले एक लाख रुपए में मिलने वाला हीरा अभी 60-65 हजार रुपए का रह गया है। विशेषज्ञों के मुताबिक, डायमंड के दाम अब घटने की नहीं बढ़ने की गुंजाइश है।

आने वाले महीनों में ये तीन बड़े कारण बढ़ा सकते हैं डायमंड की चमक

1 क्रिसमस से पहले अमेरिका और यूरोप से डिमांड बढ़ती है

शाह के मुताबिक, पॉलिश्ड डायमंड की कीमतें अब स्थिर हो रही हैं। उन्होंने कहा, 'जैसे-जैसे दिवाली और क्रिसमस करीब आ रहे हैं, हम उम्मीद करते हैं कि डायमंड की डिमांड और दाम बढ़ेंगे।' हाल के वर्षों में जो ट्रेंड रहे हैं, उसके मुताबिक क्रिसमस से एक महीने पहले से अमेरिका और यूरोप में हीरों की डिमांड बढ़ने लगती है। अमेरिका में पॉलिश्ड हीरे सबसे ज्यादा बिकते हैं।

2 इजराइल से सप्लाई घटी, दाम को अतिरिक्त सपोर्ट

पैराडाइम कमोडिटी एडवाइजर्स के संस्थापक बीरेन वकील ने कहा कि इजराइल से कच्चे हीरों की सप्लाई घटी है। दुनिया का छठा सबसे बड़ा बड़ा कच्चा हीरा निर्यातक इजराइल एक साथ हमास, हिजबुल्ला और ईरान के साथ तीन मोर्चों पर लड़ाई लड़ रहा है। इसके चलते इंटरनेशनल मार्केट में सप्लाई तंग हो गई है। इससे हीरों के दाम को अतिरिक्त सपोर्ट मिल रहा है।

3 ब्याज घटने से अमेरिका में बढ़ेगी डायमंड की डिमांड

अमेरिकी केंद्रीय बैंक फेडरल रिजर्व ने इसी महीने ब्याज दर में 0.50% की आक्रामक कटौती की है। लगभग तय है कि 7 नवंबर को फेड एक बार फिर ब्याज दरों में 0.25% कटौती करेगा। केडिया एडवाइजरी के डायरेक्टर अजय केडिया ने कहा कि क्रिसमस से पहले ब्याज दरों में 0.75% की बड़ी कटौती अमेरिका में कुदरती हीरों की नई मांग पैदा करेगी। भारत 40% हीरा निर्यात अमेरिका को ही करता है।

कच्चे हीरे की कीमतों में गिरावट भी थमी

सितंबर 2022 से इस साल अक्टूबर के आखिर तक अंतरराष्ट्रीय बाजार में कच्चे हीरे के दाम 25% तक घटे हैं। इस महीने गिरावट थम गई।

चीन पिछड़ा, भारत अब दूसरा बड़ा डायमंड मार्केट

भारत इस साल चीन को पछाड़कर दूसरा सबसे बड़ा डायमंड मार्केट बन गया है। अमेरिका पहले स्थान पर काबिज है, जबकि चीन तीसरे स्थान पर खिसक गया है। इसे देखते हुए चीन ने कंज्यूमर सेंटीमेंट सुधारने के लिए प्रोत्साहन पैकेज देना शुरू कर दिया है। इसके अलावा पीबीओसी प्रशासन ब्याज दरों में कटौती भी कर रहा है। इसका मतलब है कि अमेरिका के साथ ही चीन में भी डायमंड की बिक्री तेजी से बढ़ने की संभावना है।

- पॉल जिमनिस्की, ग्लोबल डायमंड एनालिस्ट

'Steel import curbs to dent MSMEs' ability to compete'

The Hindu Bureau
NEW DELHI

Even as the Union government is actively considering the imposition of additional duties to curb the influx of imports of cheaper steel into the country that are hurting domestic steel producers, a key exporters' body has urged the Centre to desist from such protectionist measures as they would impact smaller engineering firms' competitiveness.

EEPC India, which represents producers of engineering goods that account for a quarter of India's merchandise exports, has flagged that domestic steel output, that has increased by about 5% between April and August, has not kept pace with consumption which climbed 13.8%, making steel imports imperative.

China imports up

While finished steel imports from China have risen 31.7%, imports from Japan (up 130%), and Vietnam (52%) have also grown, it pointed out.

Without access to affordable inputs like steel, the ambitious "Make in India" initiative, particularly in high-value sectors, will face considerable challenges, it cautioned, mooting the need to keep domestic steel prices competitive.

Price differential

"The price differential between Chinese steel and Indian-produced steel is significant," EEPC chairman Arun Kumar Garodia said.

"This price advantage enables downstream industries, especially MSMEs, to remain competitive in domestic and global markets," he added.

THE HITAVADA
DATE:23/10/2024 P.NO.9

Gold jumps Rs 350; silver climbs Rs 1,500

NEW DELHI, Oct 22 (PTI)

GOLD price rose by Rs 350 to hit a fresh all-time high of Rs 81,000 per 10 grams while silver soared Rs 1,500 to record the Rs 1 lakh mark in the national capital on Tuesday amid a surge in demand, according to the All India Sarafa Association.

Continuing its upward movement for the fifth straight day, silver bounced Rs 1,500 to hit a fresh high of Rs 1.01 lakh per kg against the previous close of Rs 99,500 per kg on Monday.

"The current momentum in silver prices is driven by industrial demand, such as in expanding photovoltaic applications, followed by the jewellery and silverware segments," Arun Misra, Chief Executive Officer (CEO) and Whole-time Director at Hindustan Zinc Ltd, said.

NAVBHARAT DATE:23/10/2024 P.NO.7

देश में कोयला एक्सचेंज जल्द होगा गठित

विक्रेताओं और खरीदारों को लिए नई सुविधा

■ दिल्ली, नवभारत न्यूज नेटवर्क. कोयला और खान मंत्री जी किशन रेड्डी ने कहा कि देश का पहला कोयला एक्सचेंज जल्द ही गठित होगा. कोयला एक्सचेंज यानी खरीद-बिक्री का बाजार होने से विक्रेताओं और खरीदारों को कोयले की खरीद-बिक्री की सुविधा मिलने की संभावना है. रेड्डी ने यहां एक कार्यक्रम के दौरान अलग से बातचीत में संवाददाताओं से कहा कि कोयला एक्सचेंज के जल्द ही शुरू होने की संभावना है. मंत्री ने कहा कि कोयला एक्सचेंज स्थापित करने की योजना पर हाल ही में एक बैठक में चर्चा की गई. कोयला मंत्रालय की 2024-25 की कार्ययोजना के अनुसार देश में कोयला कारोबार के लिए एक्सचेंज की स्थापना से ऑनलाइन ट्रेडिंग मंच के माध्यम से कोयला बाजार खुल जाएगा. साथ ही समाशोधन और निपटान तंत्र भी खुल जाएगा और बाजार में इस ईंधन की उपलब्धता आसान हो जाएगी. इसमें कहा गया है कि देश में कोयला एक्सचेंज गठित करने के लिए मंत्रिमंडल के लिए मसौदा नोट अंतर-मंत्रालयी परामर्श के लिए जारी किया गया था। मंत्रिमंडल की आर्थिक मामलों की समिति के लिए अंतिम नोट को कोयला मंत्री ने मंजूरी दे दी है. कोयला एक्सचेंज कोयला नियंत्रक संगठन की देखरेख में काम करेगा. मंत्री ने आगे कहा कि अगर जरूरत पड़ी तो भारत कोकिंग कोयला रूस से आयात करेगा.

खदान नीलामी में 31 कंपनियों ने बोलियां लगाईं

जेएसडब्ल्यू स्टील, जेएसडब्ल्यू एनर्जी, एसीसी लिमिटेड, एनएमडीसी लिमिटेड, एनटीपीसी माइनिंग लिमिटेड और जेएसपीएल समेत 31 कंपनियों ने वाणिज्यिक कोयला खदान नीलामी के दसवें दौर के लिए बोलियां जमा की हैं. कोयला मंत्रालय ने कहा कि इस दौर की नीलामी प्रक्रिया में कुल 31 कंपनियों ने अपनी बोलियां जमा की हैं. वाणिज्यिक कोयला खदान नीलामी के तहत पहली बार 10 से अधिक नई कंपनियों ने भाग लिया है.

Copper futures: Go long now

Gurumurthy K
bl. research bureau

Copper price continues to trade lower. The copper futures contract on the MCX has been coming down since the beginning of this month and has been in a downtrend. The MCX Copper Futures contract is currently trading at ₹817 per kg.

COMMODITY CALL.

The price action over the last one week indicates that the price has been consolidating. The Copper contract has been oscillating between ₹800 and ₹835 for some time now. The region between ₹810 and ₹800 is a strong support. So, the recent price action indicates that the downtrend could be coming to an end. The sideways consolidation can continue for some more time. But eventually we can expect the contract to breach ₹835 in the coming days. Such a break can take the MCX Copper Futures contract up to ₹850-₹870.The bullish outlook will get negated only if the contract declines below ₹800. If that happens, a fall to ₹790 and lower levels can be seen.

Traders can go long now at ₹817. Accumulate on dips at ₹810. Keep the stop-loss at ₹793 initially. Trail the stop-loss up to ₹822 as soon as the contract goes up to ₹830. Move the stop-loss further up to ₹835 when the price touches ₹845. Exit the long positions at ₹860.

BUSINESS LINE DATE:23/10/2024 P.NO.10

Nickel could continue under pressure

MARKET SURPLUS. Analysts peg its average price for 2024 around $17,000/tonne

Subramani Ra Mancombu
Chennai

Nickel prices will likely continue to be under pressure on substantial surplus in the market and the discovery of the metal at Wedei prospect in Papua New Guinea (PNG), say analysts.

"Our nickel price forecast for 2024 is being revised down from a previous $18,000/tonne to $17,300/tonne as the market struggles with a substantial surplus," said research agency BMI, a unit of Fitch Solutions.

The Australian Office of the Chief Economist (AOCE) said production cuts had failed to boost prices. "Despite prices rebounding in the June quarter 2024, continued oversupply has driven down prices in the September quarter," it said.

The LME closing nickel price dropped from $17,040 on June 28 to $15,503 on July 25, its lowest in 2024, illustrating that the market remains oversupplied.

The AOCE said the estimated average price of nickel in the September quarter was $16,200, some 14 per cent lower than the previous quarter. It forecast the benchmark LME nickel price to average around $17,100/t in 2024.

IN VAIN. The Australian Office of the Chief Economist (AOCE) said production cuts failed to boost prices

MIN PRICE GROWTH

The *Trading Economics* website said the field programme results from the PNG project indicated significant nickel presence, leading to expectations of increased supply. However, BMI said it anticipates minimal price growth for the remainder of 2024, with average annual prices expected to decline for the second consecutive year, dropping by 20.2 per cent from the 2023 average price of $21,688/t.

AOCE said nickel prices are expected to remain volatile due to short-term mismatches in supply and demand. BMI said nickel showed promise earlier this year, driven by supply concerns that spurred a brief rally, reaching a year-to-date high of $21,615 on May 20.

"However, after peaking in May, the optimism faded, and nickel prices reversed their gains, falling to $16,996/tonne by September 27," the research agency said. ING Think, the economic and financial analysis wing of Dutch multinational financial services firm ING, said the output guidance for its giant Indonesian nickel mine, Weda Bay, has been cut by 29 per cent from its previous projections. "The company (Eramet) expects a shortfall due to the Indonesian government this week approving significantly fewer ore sales than the producer applied for over the next two years," it said.

WEAKENING DEMAND

AOCE said while recent cuts in production outside of China and Indonesia should provide some support, weakening demand is likely to see nickel prices remain soft over the rest of 2024.

BMI said its forecast for Indonesian refined nickel production this year is optimistic than previously anticipated, with growth momentum remaining strong. "This ongoing expansion is expected to further depress prices, leading to a deeper market surplus," it said.

The AOCE said growing exchange inventories highlight the extent of market oversupply. "Nickel inventories at the major exchanges have increased by 90 per cent since the beginning of 2024, owing to production growth in China and Indonesia overtaking global nickel demand," it said.

BMI said despite the current downward pressure on nickel prices, it foresees potential upside risks — such as possible supply disruptions and a weakening US dollar later in the year — which could provide a price floor, preventing significant declines from current levels.

ING Think said Indonesia is already struggling with severe ore shortages due to issues with government permits since the start of the year, forcing smelters to pay high premiums to procure the raw material.

BUSINESS LINES DATE:23/10/2024 P.NO.9

Ambuja-Orient Cement acquisition deal: Consolidation race hots up in cement sector

Sai Prabhakar Yadavalli
bl.research bureau

ANALYSIS.

Cement industry consolidation continues and at a premium value, despite a not-so-strong sector outlook. The anticipated pick up in cement prices is yet to materialise with hopes resting on second half of the fiscal.

Adani Group company Ambuja Cements, has entered into a share purchase agreement with the promoters and a few other shareholders of Orient Cements, a CK Birla Group company, to acquire 46.8 per cent stake. This will trigger an open offer wherein Ambuja Cements plans to acquire an additional up to 26 per cent stake from the public. The price offered to the selling shareholders and the open offer is fixed at 394.5 per share, which is at a 12 per cent premium to Orient's Monday closing share price. This values the company at an market capitalisation of ₹8,100 crore.

GROWING CAPACITY. Ambuja Cements plans to add 40 mtpa in the next three years

PREMIUM VALUE

Orient Cement has an operational capacity of 8.5 mtpa (million tonnes per annum). This implies a deal valuation at EV/ tonne of around $113 for Orient Cements. This is at a premium to mid-sized cement company valuations which usually range from $90-100 per tonne.

The recent deal flow also transpired in that range with a few exceptions. Ultratech acquired Kesoram Cements at $80 per tonne for the 10.8 mtpa capacity and Ambuja Cements acquired a South based player, Penna Cements, with 14 mtpa capacity at $89 per tonne.

UltraTech's recent acquisition of India Cements was done at $90 per tonne in the first tranche when it made a non-controlling investment, although subsequently it signed a share purchase agreement with promoters of India Cements to become a controlling shareholder by acquiring their stake and also making an open offer at a valuation of $122 per tonne.

The premium paid for Orient Cement could have been driven by three reasons. Firstly, considering the consolidation spree, mid-sized players were beginning to trading at a premium. Orient stock gained 12 per cent in the last week and 18 per cent in the last month. Secondly, Orient Cement is a profitable and listed cement player.

The company reported an 8 per cent revenue CAGR in FY22-24 with moderate EBITDA margins of 14 per cent in FY24. Ambuja Cements reported 2 per cent revenue CAGR in the period with EBITDA margin of 19 per cent in FY24. Thirdly, the company has a decent scope to expand to 16.6 mtpa per annum. The company has a concession from Madhya Pradesh government to set up 2.0 mpa cement grinding capacity and additional 6 mtpa capacity with limestone mining lease in Chittorgarh, Rajasthan. This improves Ambuja's position in South and West markets and anticipated 2 per cent increase in pan-India market share.

SECTOR OUTLOOK

Cement prices have declined 10 per cent YTD with hopes of revival pinned on second half of the year. On the volume front, Orient Cement has reported volume decline of 15 per cent YoY in Q1FY25 while Ambuja reported 3 per cent YoY growth in volumes.

The results in Q2FY25 are not off to a great start with Ultra Tech reporting 3 per cent revenue decline and 36 per cent YoY PAT decline owing to higher raw material, power and employee costs despite moderate growth in volumes.

Demand and pricing are expected to revive after the monsoon in H2FY24. The impact of higher capacity with a higher consolidation in the industry is also an overhang on cement prices, although this will work to advantage of large players like Ambuja in the long run.

Ambuja Cements plans to add 40 mtpa A in next three years and increase capacity from 100 to 140 mtpa by 2028 and UltraTech Cements aims to take its installed capacity from the current 150 mt (million tonnes) to 200 mt by FY27 end..

BUSINESS LINES DATE:24/10/2024 P.NO.10

Hindustan Zinc initiates $2.5-b plan to double metal output

Abhishek Law
New Delhi

Hindustan Zinc, owned by Vedanta, has initiated a $2-2.5 billion (₹30,000 crore) capex plan to double its metal production to over 2 million tonnes over "at least a five-year period".

The company, in the coming weeks, will be engaging global contractors who would look at mine expansion and development.

The zinc capacity will be doubled to 2 mt, lead and silver from 800 tonnes to 2,000 tonnes. The company recently roped in a couple of international consultants — two Australian mine-planning and mine-contracting entities. It has also engaged a consultant to work on expanding zinc smelting capacity, a mix of greenfield and brownfield diversification.

According to Arun Misra, CEO, Hindustan Zinc, the mines have to be developed in a particular manner to make adequate ore for 2 million tonnes.

"So for that, we are having discussions with mining contractors who are global players. The mines have to be expanded. And around November-end or so, we should be able to fix the global contractor, whom we will appoint for starting the mine development," he told *businessline* during an interaction.

"Investments will be around $2 – 2.5 billion or so, and it will be a through a mix of internal accruals and debt. We are working out the details and will be presenting it before the Board soon. However, these investments will be spread over a few years," Misra added.

For FY25, the company has guided for a mined metal production of 1.2 mt and in H1, its production was around 0.52 mt.

ON COURSE

"So we are on course with our guidance. And sequentially mined metal capacities will be upped, say from 1.2 mt to 1.3 mt in the following year and so on," he said.

The FY25 guidance also includes 1.075 -1.1 mt refined metal, and 750-775 tonnes saleable silver, with mined metal target of 1.2 mt to be achieved in FY26.

During the recent analyst call, the Hindustan Zinc's top brass said, expansion of capacity (mined metal) includes working out on the logistics of how to transport the material out of the mine and then the concentrator expansion.

The company has however not shared how the production will be split across its existing mines. It operates six mines, all of which are located in Rajasthan. It has three smelters.

Zinc smelting alone accounts for over 9,13,000 tonnes per annum.

THE HITAVADA DATE:24/10/2024 P.NO.9

Vedanta Resources raises USD 300 mn through tap issue

NEW DELHI, Oct 23 (PTI)

VEDANTA Resources, the parent firm of Mumbai-based mining conglomerate Vedanta Ltd, has raised USD 300 million by exercising the tap option on the existing bond issue.

A tap issue is a procedure that allows companies to issue bonds or other short-term debt instruments from past issues.

In a Singapore exchange filing Vedanta Resources Finance II PLC (VRF), a wholly-owned subsidiary of Vedanta Resources Ltd, said it has exercised a tap option on its September USD 900 million bond issuance, raising a further USD 300 million at a yield of 9.99 per cent, continuing its liquidity management exercise.

The new issuance received final orders of over USD 500 million, an oversubscription from existing and new investors.

Sixty-seven per cent of the allottees were from the Asia Pacific (APAC) region, 26 per cent from Europe and the Middle East, and seven per cent from the Offshore United States.

The bonds are rated 'CCC+' by S&P Global Ratings.

"The net proceeds from the tap option will be used to partially prepay Vedanta's USD 608 million 13.875 per cent bonds due 2028," the company said.

Vedanta Chief Financial Officer Ajay Goel said that the company is thrilled by the tremendous response to its tap offering, soon after the issuance of our USD 900 million bonds in September 2024.

This underscores the huge confidence of the global investor community in Vedanta's robust business performance and our commitment towards attaining a balanced capital structure through deleveraging our balance sheet, he said.

"We are confident of continuing to deliver substantial value for our global and domestic investors in the years ahead," Goel added.

In September, Vedanta Resources had raised USD 900 million in its first dollar bond issue in more than two years to prepay existing bonds. The USD 900 million raise was at a coupon rate of 10.875 per cent in a five-year US dollar-denominated bond.

It received subscriptions from over a hundred investors, including those from the USA, Europe, and the Middle East.

BUSINESS LINES DATE:24/10/2024 P.NO.12

Zinc: Go long on break above ₹294

Gurumurthy K
bl. research bureau

Zinc prices continue to oscillate in a wide range. The zinc futures contract on the MCX has been range-bound between ₹274 and ₹292 for more than three weeks now. Within range, it is now poised near the upper end of this range. The contract is currently trading at ₹290 per kg.

COMMODITY CALL.

Although the price has been oscillating in a range, the price action on the chart leaves the bias positive. The weekly candle chart indicates that the contract is getting strong buyers below ₹280.

Resistance is around ₹294. The chances are looking high for the contract to breach this hurdle in the coming days. Such a break will boost the bullish momentum and the contract can go up to ₹310-320 in the coming weeks. If it fails to breach ₹294 and turns down, it can fall back to ₹280-₹275 again. In that case, the sideways range will continue to remain intact.

TRADE STRATEGY

Traders can go long on a break above ₹294. Keep the stop-loss at ₹282. Trail the stop-loss up to ₹298 as soon as the contract moves up to ₹303. Move the stop-loss further up to ₹308 when the price touches ₹314. Exit the long positions at ₹318.

THE INDIAN EXPRESS DATE:25/10/2024 P.NO.10

Karnataka Congress MLA convicted by special court in illegal mining case

EXPRESS NEWS SERVICE
BENGALURU, OCTOBER 24

A SPECIAL court for hearing cases against elected representatives in Karnataka on Thursday convicted a sitting Congress MLA, Satish Sail, and others in connection with the illegal sale of iron ore from the Belekeri port in Karnataka which occurred at the height of the illegal mining scam in Karnataka during the BJP's tenure from 2008-2013.

The case was prosecuted by the CBI after an initial probe by the Karnataka Lok Ayukta in March 2010 found that nearly eight lakh tons of iron ore was transported from Bellary to the Belekeri port near Karwar in Karnataka without mining, forest or transport permits.

The stolen iron ore is alleged to have been exported illegally through a conspiracy involving the then deputy conservator of the port Mahesh Biliye and stevedores at the port like the Mallikarjun Shipping Company owned by Satish Sail, the current Congress MLA from Karwar in coastal Karnataka.

The CBI has officially stated that the case involves the alleged ₹₹illegal excavation of iron ore to the tune of 50 lakhs metric tonnes worth Rupees 2500 crores (approx) and its subsequent export from the Belekeri Port in Karnataka".

BUSINESS LINES DATE:25/10/2024 P.NO.10

Global steel output down 4.7% in Sept; Indian production dropped marginally

Achuth Vinay
Chennai

Global crude steel output decreased by 4.7 per cent in September 2024 to 143.6 million tonnes (mt) compared with 150.7 mt in the corresponding period a year ago.

According to the World Steel Association (worldsteel), the top producer China produced 77.1 mt in September — a decrease of 6.1 per cent from the year-ago period.

RUSSIAN OUTPUT FALLS

China also reported a huge fall in steel production year over year in the last couple of months, dropping by 9 per cent and 10.4 percent in July and August respectively.

India's output fell 0.2 per cent to 11.7 mt after reporting growth for several months. Russia's production nosedived by 10.3 per cent at 5.6 mt. South Korea's production went up by 1.3 per cent to 5.5 mt. Brazil's production soared by 9.9 per cent at 2.8 mt.

India's output fell 0.2% to 11.7 mt after reporting growth for several months REUTERS

While Japan's output dropped by 5.8 per cent to 6.6 mt, the United States' production went up by 1.2 per cent to 6.7 mt. Germany and Turkiye saw their output go north by 4.3 per cent and 6.5 per cent respectively, at 3 mt and 3.1 mt. The steel production in Iran plunged 41.2 per cent at 1.5 mt.

Region-wise, Africa saw its output go up by 2.6 per cent. While the EU saw its numbers increase by 0.3 per cent, Europe's (Others) output went north by 4.1 per cent. Asia and Oceania's steel production decreased by 5 per cent.

WEST ASIA PLUNGES

The West Asia region's production plunged by 23 per cent, while North America's output slipped by 3.4 per cent. South America's steel production increased by 3.3 per cent compared with the September 2023 figures. Russia and other CIS nations saw their figures decrease by 7.6 per cent. In its latest short-range outlook, worldsteel said steel demand will decrease to 1,751 million tonnes in 2024 but climb to 1,772 mt in 2025.

BUSINESS LINES DATE:25/10/2024 P.NO.10

Aluminium: Bullish; go long now and on dips

Gurumurthy K
bl. research bureau

Aluminium prices have been consolidating over the last few weeks. The Aluminium Futures Contract on the MCX is oscillating in a broad range of ₹230-₹245 for more than three weeks now. Within this, the contract is now poised near the upper end of the range at ₹242 per kg.

COMMODITY CALL.

The broad ₹230-₹245 range is still intact. However, the price action on the weekly chart leaves the bias positive.

It indicates that the contract is getting buying interest in the ₹235-₹230 region. Indeed, the contract has been sustaining well above ₹235 itself since the beginning of this week.

All these factors keep the bias positive. It also leaves the chances high for the contract to break the range on the upside going forward. Such a break can take the MCX Aluminium contract up to ₹252-₹255 in the short-term.

The contract has to fall below ₹230 to become bearish. Only in that case, the contract will come under pressure for a fall to ₹223-₹220. But such a fall looks unlikely as seen from the charts.

Traders can go long now at ₹242. Accumulate on dips at ₹238. Keep a stop-loss at ₹232.

Trail the stop-loss up to ₹246 when the contract goes up to ₹249. Move the stop-loss further up to ₹250 when the price touches ₹252. Exit the long positions at ₹255

THE ECONOMIC TIMES DATE:25/10/2024 P.NO.13

AFTER BID BY STATES ELICITS TEPID RESPONSE...

Plan to Auction 20 Critical Mineral Blocks under New Licence Regime in the Works

Twesh Mishra

New Delhi: The central government plans to soon auction up to 20 critical mineral blocks for deeper exploration under the new licence regime after a bid by states received a tepid response.

"These blocks are large and require specialised agencies for their exploration," mines secretary V L Kantha Rao told **ET**.

Rao said amendments to the Mines and Minerals (Development and Regulation) Act have empowered the Centre to auction exploration licence, or EL, blocks together.

"Geological Survey of India (GSI) had handed over reports of 20 blocks to 14 state governments in January this year for conducting EL auctions... We can put a reasonable number of blocks across states as opposed to scattered auctions," Rao added.

Amendments to the Mines and Minerals (Development & Regulation) Act, passed in 2023, authorised the Centre to auction EL for 29 critical and deep-seated minerals.

This licence allows companies to conduct reconnaissance and prospecting operations following which blocks are to be auctioned out for mining.

New licence allows cos to conduct reconnaissance and prospecting operations following which blocks are to be auctioned out

Blocks carved out after EL term ends, which can be extended to three or four years, will be handed over to the states for being auctioned under mining lease (ML).

These exploration permit holders are entitled to a share of auction premium payable by the mining lease holder. Portion of premium sought is the bid parameter for awarding EL to companies. Reverse bidding is conducted for EL, so a lower share of premium quoted increases the probability of being awarded the permit.

From the 20 GSI identified blocks, 12 exploration licences were under various stages of bidding by six states. But due to poor response, these bids were likely to be annulled. There was no progress on the remaining eight mines in the other eight states. The Centre's move is prompted by low bidder turnout for auctions conducted by states.

The Centre offers to reimburse up to half the exploration cost incurred by private players for the deep-seated and critical minerals. This incentive is aimed at de-risking EL operations and is paid out of the National Mineral Exploration Trust (NMET).

Breaking New Ground

Centralised exploration licence bids

Exploring 20 critical mineral blocks

State bids got tepid response

NMET Output

Projects funded till date **393**

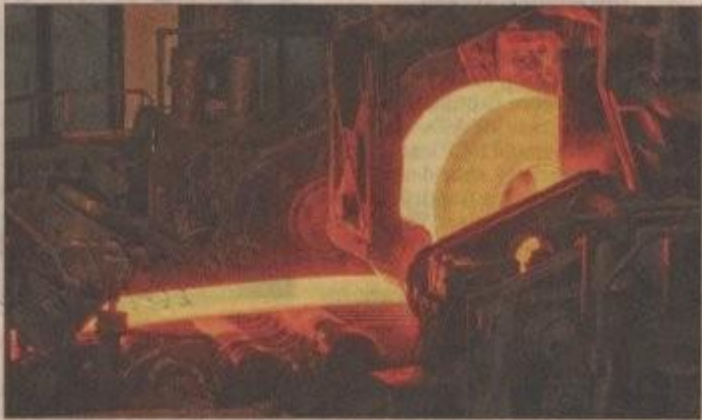
Critical mineral projects **122**

THE ECONOMIC TIMES DATE:26/10/2024 P.NO.4

JSW Steel Net Profit Slumps 85% in Q2

Weak realisations due to imports and one-time loss hurt largest steelmaker

Our Bureau



FILE PHOTO

Mumbai: JSW Steel, the country's largest steel producer, saw its profit plunge 85% from a year earlier during the quarter ended September 30, weighed by weak realisations and a one-time loss.

The steelmaker posted a consolidated net profit of ₹404 crore for the second quarter against ₹2,773 crore a year ago. Revenue from operations fell more than 11% to ₹39,684 crore.

"China's elevated steel exports at 84 MT (up 21% year-on-year) between January and September has dampened global steel prices and margins," the company said in a news release.

India imported 3.18 million tonnes (MT) of steel in the September quarter, up more than 42% from the year-earlier period, while exports fell by nearly a third to 1.27 MT. This made the country a net importer of 1.91 MT of steel in the September quarter, taking the net imports in the first half of the fiscal year to 2.62 MT, the company said.

At a consolidated level, JSW sold 6.13 MT of steel during the quarter, which was 3% lower compared with the previous year and flat sequentially. Sales in the domestic market at 5.57 MT, though, were the "highest in any quarter", the company said.

At the industry level, production of steel in India rose nearly 3%, while consumption surged about 12% during the quarter. "We expect this strong demand momentum to persist, with steel demand likely growing by around 10-11% in FY25," JSW Steel said.

The company has guided for production of 28.40 MT and sales of 27.00 MT on a consolidated basis in the current fiscal year.

During the September quarter, the company reported an operating profit of ₹5,437 crore, while operating margin stood at 13.7%. The company recorded an exceptional loss of ₹342 crore during the quarter, related to a provision for the Jajang iron ore mine in Odisha.

The flagship company of the JSW Group had a net debt of ₹85,098 crore as of September, up from ₹80,199 crore three months prior. Its net debt-to-operating profit ratio was 3.51, compared with 3.0 as of June 30.

The company's capex spend during Q2 FY25 stood at ₹3,384 crore, and the total spend for H1 stood at ₹7,850 crore. "We now expect consolidated capex for FY25 to be ₹16,000 crore-17,000 crore as against the earlier estimate of ₹20,000 crore mainly due to the transfer of Slurry Pipeline project to JSW Infrastructure, and rescheduling the BF-3 expansion to next year," the company said.

JSW Steel Q2 net profit falls over 85 per cent to Rs 404 crore

NEW DELHI, Oct 25 (PTI)

STEELMAKER JSW Steel on Friday reported a steep fall of 85.43 per cent in its consolidated net profit at Rs 404 crore in the July-September quarter of the current fiscal, affected by lower income.

The company had posted a net profit of Rs 2,773 crore in the second quarter of the last financial year. The total income decreased to Rs 39,837 crore in the second quarter of the current fiscal as against Rs 44,821 crore a year ago, JSW Steel said in a regulatory filing.

JSW Steel's expenses were lower at Rs 38,644 crore in the quarter under review against Rs 40,801 crore in the year-ago quarter.

In a statement, the company said its net debt stood at Rs 85,098 crore as of September 30, higher by Rs 4,899 crore as against June 30 due to capex on ongoing expansion projects, acquisition of an effective stake of 20 per cent in Illawarra coking coal asset and increase in working capital.

The company's capex spend during Q2 FY25 stood at Rs 3,384 crore, and the total spend for H1 stood at Rs 7,850 crore.

"We now expect consolidated capex for FY25 to be Rs 16,000-17,000 crore as against the earlier estimate of Rs 20,000 crore mainly due to the transfer of Slurry Pipeline project to JSW Infrastructure, and rescheduling the BF-3 expansion to next year," the company said.

The company produced 6.77 million tonnes (MT) of crude steel in July-September 2024, up 7 per cent compared to 6.34 MT in the same quarter of FY23.

Sales decreased by 4 per cent to 5.96 MT in the quarter from 6.34 MT a year ago. Exports contributed 7 per cent from India operations.

BUSINESS LINES DATE:26/10/2024 P.NO.3

Coking coal imports in HI surge to a six-year high at 29.6 million tonnes

Abhishek Law
New Delhi

India's coking coal imports for the first six months of the current fiscal (April-September) were at a six-year-high at 29.6 million tonnes (mt) with shipments from Russia witnessing a substantial rise of over 200 per cent during this period. Shipments increased by around 3 per cent on a y-o-y basis, against 28.8 mt in the comparative period last year.

Current coking coal imports are higher than the H1FY20 levels of 29.3 mt while it had dropped to 21.1 mt in H1FY21. However, it has been rising steadily since H1FY22 when it stood at 27.7 mt and then to 28.8 mt in H1FY23, as per data from market intelligence firm BigMint. "The rising coking coal imports coincided with higher steel production in India," a market participant told *businessline*.

Incidentally, Indian mills continued to take advantage of discounted supplies of coking coal from Russia. They have reduced sourcing from Australia — still the largest supplier of the key steel-making feedstock. India is the second largest producer of crude steel after China and the largest importer of coking coal.

SOARING. Russian coking coal imports saw a 40% y-o-y jump

Russian coking coal shipments — now at a six-year high — saw a near 40 per cent y-o-y jump in H1FY25 to 4 mt as against 2.9 mt in H1FY24.

AUSTRALIAN SUPPLIES

Russia is the third largest supplier — after Australia and the US — to India's mills, BigMint data showed, with state-run SAIL and JSW among the key buyers. On the other hand, the share of Australian coking coal to total imports was significantly down volume-wise to 54 per cent at 16 mt, a six-year low (on a H1 comparative basis).

Australia's coking coal supply share was as high as 80 per cent in the FY22 April-September period at 21.7 mt. It came down to 65 per cent or 18.7 mt (out of 28.7 mt) in H1FY23 and then to 62 per cent at 17.7 mt a year later (H1FY24).

BUSINESS LINES DATE:26/10/2024 P.NO.2

Cheap imports from China drag JSW Steel's Q2 profit down 84%

FACING TURBULENCE. Revenue from operations fell 11% to ₹39,684 crore

Our Bureau
Mumbai

JSW Steel Ltd on Friday reported an 84 per cent decline in its consolidated net profit at ₹439 crore in the second quarter, compared with ₹2,760 crore in the corresponding quarter last year.

Revenue from operations fell 11 per cent year-on-year (y-o-y) to ₹39,684 crore compared to ₹44,584 crore last year.

"China's elevated steel exports at 84 million tonnes (mt) (up 21 per cent y-o-y) between January and September has dampened global steel prices and margins. Several countries have restricted Chinese steel imports, and the steel industry is engaging with the government to ensure fair competition," JSW Steel said in a statement.

Steel sales for the quarter stood at 6.13 mt, lower by 3 per cent y-o-y and a flattish quarter-on-quarter (q-o-q).

Earnings slump (in ₹ cr)

	Q2 FY25	Q2 FY 24
Revenue	39,684	44,584
PAT	439	2,760

Domestic sales at 5.57 mt were the highest in any quarter, up 1 per cent y-o-y and 5 per cent q-o-q. Sales volumes to the institutional segment increased by 12 per cent y-o-y. However, sales to retail segment fell by 14 per cent due to elevated imports.

TOUGH QUARTER

Exports at 0.39 mt , fell by 43 per cent y-o-y and 34 per cent q-o-q due to elevated Chinese exports adversely affecting the global markets. Exports constituted 7 per cent of the sales from the Indian operations for Q2FY25 compared with 10 per cent sales in Q1FY25.

The company registered an operating EBITDA of ₹5,437 crore, with an EBITDA margin of 13.7 per cent during the quarter. EBITDA reduced by 1 per cent q-o-q as a sharp fall in steel realisations was largely offset by lower costs.

On August 3, 2024, the company had announced the surrender of the Jajang Iron ore mine located in Keonjhar district of Odisha due to operations being economically unviable.

Subsequently, on October 9, 2024, the Indian Bureau of Mines approved the Final Mine Closure Plan. Pursuant to this approval, the company has submitted an application for surrender of the mining block.

The company has recognised a net provision of ₹342 crore pertaining to the underlying carrying value of the assets including inventory and site restoration liability which has been disclosed as an exceptional item during the quarter.

BUSINESS LINES
DATE:26/10/2024 P.NO.17

JSW Steel Q2 net profit plunges 84% to ₹439 crore

The Hindu Bureau
MUMBAI

JSW Steel reported Q2 consolidated net profit plunged 84% to ₹439 crore from ₹2,760 crore in the year-earlier period.

Gross sales income for the quarter fell 11% to ₹39,104 crore as compared with ₹43,834 crore in the same period last year.

Consolidated crude steel production for the quarter stood at 6.77 million tonnes, up 7% YoY. Capacity utilisation of Indian operations improved 91% during the quarter, the company said in a filing.

"Steel sales for the quarter stood at 6.13 million tonnes, lower by 3% YoY," the company said.

BUSINESS LINES DATE:27/10/2024 P.NO.2

The best avenue to invest in gold

Considering there is still steam left, what is the best avenue to invest in gold this festival season?

To begin with, investors have various vehicles to choose from. The most basic way is going physical in the form of bars and coins. This form has always contributed well to the overall demand.

The WGC data show that the demand from bars and coins contributes to about 25 per cent of the total.

Another way of buying tangible gold is jewellery, the largest component of the overall gold consumption, contributing over 40 per cent of total demand.

But when you buy gold in the form of jewellery or bars and coins, the major concern will be storage and safety. Alternatively, investors can opt for digital gold, gold futures, gold MFs (mutual funds), gold ETFs (Exchange Traded Funds) and SGBs (Sovereign Gold Bonds).

Futures are more of a hedging or a trading product as they have short maturity, and participants ought to roll over to new series every time the running contract expires. For digital gold, there is a regulatory vacuum.

That leaves us with financial assets tracking gold prices – SGBs, ETFs and MFs. SGBs are more popular among investors due to several reasons. First, it is issued by the RBI and backed by the government.

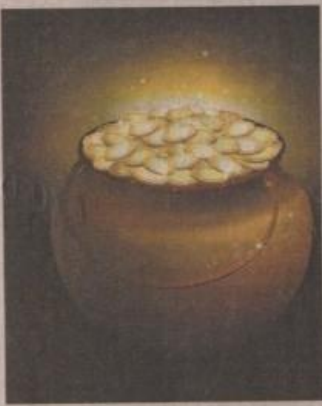
Two, in addition to capital gains, investors are offered a biannual interest income. Three, SGBs are exempt from capital gains if you hold till maturity.

However, as it stands, there are no fresh SGB issues lined up unlike in the last few years, where a new tranche would come up for subscription during Diwali.

The absence of fresh issues has led to older SGBs trading at a premium in the secondary market. This makes it a not-so-good choice for investors at this juncture, given the issues associated with liquidity and price discovery.

GOLD ETFS

Gold ETFs track the price of gold by holding actual gold. Gold MFs are basically fund of funds which invest in gold ETFs.



This means, the costs will be comparatively higher for gold MFs vs. gold ETFs.

Considering the lower costs involved and that there are no new series of SGBs announced, gold ETFs seem to be the best bet for investors this year. Our recommendation would be Nippon India ETF Gold BeES and ICICI Pru Gold ETF. Both these funds have strong trading volumes of more than 10 lakh units daily, indicating low liquidity risk.

Although Nippon's ETF has higher expense ratio at 0.79 per cent, it has the least tracking error of 0.15 per cent among peers.

Also, with an AUM (assets under management) of ₹13,725 crore by the end of September, it is the largest gold ETF. Gold ETF offered by ICICI Pru has a tracking error of 0.22 per cent and an expense ratio of 0.49 per cent. The AUM at ₹4,227 crore by the end of September.

Since ETFs are securities traded on the exchanges, the holding period is one year for long-term capital gains.

From April 1, 2025, the short-term capital gain for gold ETFs will be taxed at your slab rate whereas long-term capital gains will be 12.5 per cent without indexation benefit.

Until the end of FY25, gold ETFs will be taxed at the slab rate irrespective of the holding period.

BUSINESS LINES DATE:28/10/2024 P.NO.3

KIOCL's merger with NMDC being explored

Abhishek Law
New Delhi

India's largest iron-ore merchant miner, NMDC — a central public sector enterprise (CPSE) under the Steel Ministry — is eyeing a possible merger or acquisition of Kudremukh Iron Ore Company (KIOCL) — another CPSE of the Ministry — following the latter's inability to start mining operations at Devadari in Karnataka, a senior Ministry official told *businessline*.

Detailed proposals are being worked out and would be presented for approval "soon". "So, there are some discussions on the merger of KIOCL with NMDC. And NMDC is keen about it too as per our understanding," the official said.

According to him, detailed proposals, which are in the works, will determine if NMDC needs to make any payment to the Steel Ministry or the Centre for this merger. Viability aspect of the merger will also be covered in this report.

Merger or amalgamation will also require clearances from other Ministries such as Finance, and from regulatory bodies, sources say. NMDC is yet to respond to queries by *businessline*.

The Miniratna company, KIOCL, was set up in 1976 for iron-ore mining and beneficiation at Kudremukh. For FY24, its pellet production was at 1.90 million tonnes while revenue from operations was ₹1,854 crore.

ABSENCE OF MINES

However, the company reported a net loss of over ₹83 crore for the year. Last fiscal, its borrowings were at ₹64 crore while lease liabilities were about ₹116 crore. Its average net worth was pegged at ₹1,960 crore and earnings per share at 1.37 (because of the losses).

According to the official, KIOCL is yet to get permission for restarting iron ore mining at Devadari, and its pellet plants are lying unutilised. The company has been buying iron ore from the market — mostly indigenous sources — but these are the bare minimum required to keep the units running.

Recently, KIOCL had floated tenders for securing hematite (high-grade iron ore). As an alternative, it leased out operations of one of its pellet plants to NMDC. "If the pellet plants lie unused for a long time, it becomes difficult to restart operations. So to keep the plants afloat, KIOCL has leased out a pellet plant to NMDC. If NMDC takes over the plant, it makes sense since the miner will be using its own iron ore and cost of operations for the plant will be lower," the Ministry official said.

BUSINESS LINES DATE:29/10/2024 P.NO.8

Gold, silver ETFs outshine Nifty, Sensex in Samvat 2080

Gayathri G
Chennai

Diwali festival, the beginning of the new Hindu calendar year, is regarded ideal for buying precious metals like gold and silver. Samvat 2080, ending in couple of days, clearly belonged to both silver and gold exchange traded funds (ETFs), as they outperformed both Nifty50 and BSE Sensex.

Gold ETFs, silver ETFs, Nifty and the Sensex are witnessing a record run this year delivering 30 per cent, 28 per cent, 27 per cent and 25 per cent, respectively..

But will gold and silver still be the star of Samvat 2081 too, given the high price, strong competition from equities, the removal of Sovereign Gold Bonds (SGBs), and Cyclone Dana's impact on rural demand?

"This surge has not come as a surprise because precious metals, especially gold is considered as a haven in war-like situations. Amid the ongoing West Asian conflict and other geopolitical tensions, coupled with the Fed's shift towards easing monetary policy, both the metals have experienced significant gains over the past year. Additionally, the upcoming US presidential elections have heightened financial market uncertainty, driving more investors towards gold," Shruti Jain, Chief Strategy Officer, Arihant Capital Markets, told *businessline*.

Sriram BKR, Senior Investment Strategist, Geojit Financial Services, pointed out that buying of gold by global central banks, including India, and the US Fed rate cut are positive triggers for the precious metal.

According to Zerodha Fund House, the number of gold ETF folios surged from 48 lakh to 57.1 lakh in one year ending September 2024.

SILVER SHEEN

It's not just gold that glitters; silver sparkles equally too, said analysts. The glittering white metal, valued both as a precious metal and an industrial commodity, is influenced by a mix of economic, geopolitical and technological factors.

Unlike gold, silver has widespread industrial uses, especially in electronics, solar panels, semiconductors and medical devices. As new technologies continue to develop, the demand for silver in these areas is likely to increase, potentially driving prices higher.

Silver ETFs so far have seen good traction among the investors. Per data, Silver ETF inflows for FY25 till September stood at ₹4,993 crore, of which ₹1,664 crore came in August alone.

According to Sriram, FY25 flows were 9.9x the inflows of FY24-same period. Silver ETF Folios were up 236 per cent year on year as of September.

"We feel it is finding traction among investors, in terms of adding to the portfolio as part of diversification or for near-term directional views. Some inflows could be a shift from buyers of physical silver too."

THE ECONOMIC TIMES DATE:29/10/2024 P.NO.13

MINISTRY MONITORING SITUATION

Steel Cos Struggle with ₹89k cr Stock on Rising Imports

Domestic producers are grappling despite rise in consumption

Suryash Kumar

New Delhi: Indian steelmakers are grappling with inventory build-up despite higher consumption as imports continue to flood the domestic market, prompting the steel ministry to flag the issue and monitor the situation closely, said people familiar with the matter.

"The high steel inventory is a matter of concern," said a senior official, who did not wish to be identified.

According to industry estimates, domestic producers have been sitting on steel inventory worth ₹89,000 crore since the start of 2024-25.

The stocks have remained largely unchanged at around 14 million tonnes (mt) at September end, up 13.01% from 13.67 mt a year ago, showed the data compiled by the steel ministry. The inventory levels have persisted despite a 13.65% year-on-year increase in local steel consumption between April and September to 72.82 mt.

Sector watchers say increasing imports and falling exports have significantly contributed to the inventory levels, which have risen after the Covid-19 pandemic.

"Higher imports and lower exports have resulted in net import of about 2.4 mt in the first half of the current fiscal. So, while the consumption rate is high, higher net import led to similar inventory levels," said Sumit Jhunjhunwala, sector head - corporate ratings, ICRA Limited.

Steel imports in the first six months of 2024-25 increased 41% to 4.7 mt from 3.3 mt a year ago. Exports slumped 35.9% to 2.3 mt from 3.6 mt during this period.

"Chinese exports have significantly increased and resulted in higher imports. So, India needs to monitor its import level to see any meaningful reduction in inventory levels," Jhunjhunwala said.

Another reason for inventory piling up in the first half of this fiscal was excess rain received during the monsoon impacting steel demand from the construction industry.

Troubling Times

Unsold steel inventory despite higher consumption

(Fig in mt)

	Mar-end	Sept-end
Inventory level	14.29	14.73
Imports	3.32	4.70
Consumption	64.07	72.82

Source: Joint Plant Committee, steel ministry

Long rainy season mutes demand

Exports down 36% on price pressure

THE HITAVADA DATE:29/10/2024 P.NO.7

'India remains highly dependent on imports of critical minerals'

NEW DELHI, Oct 28 (PTI)

INDIA remains highly dependent on imports for minerals critical to accelerating its energy transition, with a full reliance on shipping in lithium, cobalt and nickel, according to a report released Monday.

The report, published by the Institute for Energy Economics and Financial Analysis (IEEFA), said that India's demand for critical minerals is expected to more than double by 2030, while domestic mining operations may take over a decade to start producing.

It stresses that India needs a carefully crafted import strategy to mitigate potential trade risks while balancing international relationships to secure these essential minerals.

IEEFA's report examines five critical minerals (and their compounds) – cobalt, copper, graphite, lithium and nickel – from the perspectives of import dependency, trade dynamics, domestic availability, and global price fluctuations.

The findings show that India remains largely import-dependent for these minerals and their compounds, with 100 per cent import reliance for minerals like lithium, cobalt, and nickel.

"India should strive to de-risk its critical minerals sourcing by identifying new international resources and expediting domestic production. A concerted effort to partner with and foster bilateral relations with mineral-rich nations should be a priority for India," said the report's co-author Charith Konda, Energy Specialist, IEEFA.

"The country can also explore investment opportunities in resource-rich, friendly nations, such as Australia and Chile, as well as African countries like Ghana and South Africa," he added.

The report said India depends heavily on China for synthetic graphite and natural graphite and it should explore cooperation initiatives with countries like Mozambique, Madagascar, Brazil and Tanzania which are some of the highest graphite producing countries.

"As part of the Global South cooperation initiatives, these countries could be favourable partners for India for graphite trading," said the report's co-author Kaira Rakheja, Energy Analyst, IEEFA.

India is also highly import-dependent for copper cathodes and nickel sulphates from just two countries – Japan and Belgium. The report suggests India could look at the US, the fifth largest producer of copper in the world, to diversify its suppliers and enhance supply security.

For minerals like lithium oxide and nickel oxide, the dependency is low on one country, but overall imports largely come from Russia and China, both countries with potential trade risks.

BUSINESS LINES DATE:29/10/2024 P.NO.2

Ambuja Cements net down 52% to ₹473 crore on lower realisation

Our Bureau
Mumbai

Ambuja Cements, an Adani Group company, has reported that its net profit in the September quarter was down 52 per cent at ₹473 crore against ₹987 crore logged in the same period last year, largely due to a fall in realisations amid weak demand.

The company's income was flat at ₹7,890 crore (from ₹7,900 crore). EBITDA during the quarter was down 22 per cent at ₹780 per tonne (from ₹995 per tonne) while sales volume grew 14 per cent to 14 million tonne (13 mt). Its overall capacity utilisation was at 89 per cent. Power and fuel expenses were down 10 per cent at ₹1,273 (from ₹1,421) per tonne while freight cost dipped 7 per cent to ₹1,281 (from ₹1,377) per tonne.

Q2 snapshot

	Q2 FY'25	Q2 FY'24
Income (₹ cr)	7,890	7,900
Net profit (₹ cr)	473	987
EPS (Diluted) (₹)	1.85	3.74

However, raw material costs increased 18 per cent to ₹767 (₹650) a tonne.

Ajay Kapur, Whole Time Director & CEO, Ambuja Cements, said, the company will continue to focus on innovation, digitisation, customer satisfaction and ESG as the core elements of business.

Post completion of Orient Cement , transaction, the company will achieve over 100 mtpa capacity by this fiscal, he added.

The increased use of low-cost imported pet-coke and e-auction of coal reduced kiln fuel costs by 13 per cent, from ₹1.82 to ₹1.59 per 1000 Kcal. Thermal energy consumption improved by 3 kCal/Kg of clinker, reaching 758 kCal.

The company reported ₹10,135 crore in cash and cash equivalents to accelerate future growth. On a standalone basis, the company's net profit declined to ₹501 crore (from ₹644 crore), while income rose to ₹4,478 crore (from ₹4,348 crore).

Strong infrastructure demand and ongoing needs from the housing and commercial sectors are anticipated to boost cement demand in second half of this fiscal.

THE HITAVADA DATE:30/10/2024 P.NO.9

Dhanteras gems and jewellery sales may cross Rs 30,000 cr

KOLKATA, Oct 29 (PTI)

DHANTERAS and Diwali demand for gems and jewellery this year is anticipated to remain strong despite rising prices, with Diwali sales potentially crossing Rs 30,000 crore in the domestic market, according to industry experts.

Price hikes in precious metals are prompting consumers to view gold as a reliable asset, while silver is gaining popularity among people due to its relatively lower price and high industrial demand.

Some experts estimate sales growth in value terms of 10-15 per cent year-on-year this Diwali across the country, though there may be a dent in volume. Silver has emerged as the top performer with returns exceeding 40 per cent, followed by gold at 23 per cent, significantly surpassing stock market benchmark returns.

Eastern Regional Chairman of the Gems & Jewellery Export Promotion Council (GJEPC) said, "Gold continues to shine due to global uncertainties and geopolitical conditions, while silver is drawing substantial interest as an affordable option."

The Council also noted a shift from diamonds to gold this year, as the popularity of lab-grown diamonds has impacted the demand for natural diamonds. Ashok Bengani, President of the Ankurhati Gems and Jewellery Manufacturers Welfare Association, highlighted industry efforts to reduce import duties to boost market sustainability.

"The geopolitical situation underscores the need for visionary leadership from the Finance Ministry to reduce import duties by 9 per cent, from the current 15 per cent on gold imports, making it easier for the market to thrive," he said. "This Dhanteras and Diwali season, sales are expected to cross Rs 30,000 crore, despite some decline in volume," Bengani added.

Suvankar Sen, MD & CEO of Senco Gold Ltd, noted that higher gold prices may slightly impact sales volume, estimating a 12-15 per cent decline in volume. However, value-wise, he expects a 10-12 per cent increase. "The addition of lower 9Kt purity and lightweight gold jewellery options has expanded demand opportunities, especially among working women," he said. Anjali Jewellers echoed this sentiment, citing strong demand driven by gold's reputation.

"This Dhanteras, there's an individualistic trend with buyers selecting pieces tailored to their needs. While some are purchasing bridal jewellery, others prefer lightweight, everyday pieces," said Annargha Uuttiya Chowdhury of Anjali Jewellers.

THE ECONOMIC TIMES DATE:31/10/2024 P.NO.9

Instant liquidity, ease of holding and no handling risk make ETFs more attractive

Gold & Silver ETFs Shine on Dhanteras as Volume Spikes 5x

All That Glitters

Gold ETFs	1-Year Return (%)	Assets Under Management (₹ crore)
Nippon India ETF Gold	27.8	13,725
Hdfc Gold ETF	26.3	6,040
Sbi Gold ETF	26.8	5,411
ICICI Prudential Gold ETF	28.0	5,025
Kotak Gold ETF	27.9	4,912
Silver ETFs		
Nippon India Silver ETF	35.7	4,477
ICICI Pru Silver ETF	36.0	3,714
Kotak Silver ETF	36.0	713
ABSL Silver ETF	36.0	450
HFC Silver ETF	37.7	321

Returns on 29th October 2024.
Aum as of September 30, 2024

SOURCE: Value Research

Prashant Mahesh

Mumbai: Exchange traded funds tracking gold and silver prices witnessed a five-fold surge in turnover on October 29 — when Dhanteras, which marks the start of Diwali, was celebrated. Better tax structure for these products and strong returns in the recent past prompted investors to buy gold and silver ETFs on that day, considered auspicious for buying precious metals.

The combined turnover of gold and silver ETFs stood at ₹428 crore on October 29 as against ₹89 crore on the eve of Dhanteras last year. While gold ETF volumes surged from ₹65 crore to ₹236 crore, silver volumes jumped from ₹23.6 crore to ₹191.6 crore. ETFs are bought and sold like listed stocks.

"The sharp rally in the price of gold and silver, buying by central banks, geopolitical tensions and the US elections led to higher interest amongst investors," said Arun Sundaresan, head – ETF, Nippon Life India Asset Management.

In the past month, gold prices rose 4.2%, while that of silver surged 7.5%. In last one year, gold prices have gained 28%, while silver prices are up 36% in rupee terms. While gold is attracting buyers as a haven against geopolitical tensions, silver is attracting investors due to its industrial demand and applications in green fuel technology.

Some distributors point out that recent changes in taxation and no fresh issuances of sovereign gold bonds (SGB) are also drawing investors towards gold and silver ETFs.

"Investors who sell gold or silver ETF will have to pay a long-term capital gains tax of 12.5% after one year, compared to the earlier rule of slab rates," says Nikhil Gupta, founder, Sage Capital.

Financial planners point out many investors prefer ETFs over physical gold or silver as there is instant liquidity, they are easy to hold, no handling risk or storage cost. One can buy units for less than ₹100, which works well for all investors.

BUSINESS LINES DATE:31/10/2024 P.NO.11

Coal imports see modest rebound in September, poised to rise further

DEMAND-LED GROWTH. Seaborne thermal coal imports rose by 5% on a monthly basis to 12.65 million tonnes

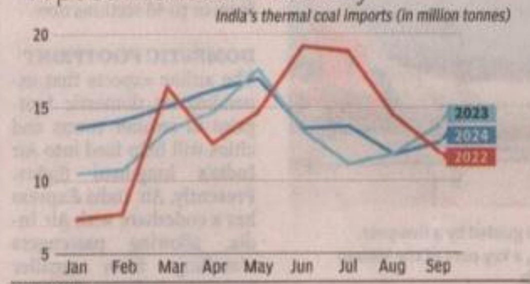
Rishi Ranjan Kala
New Delhi

Following the end of the monsoon season, including clocking the lowest imports in 2024 so far during August, India's thermal coal shipments have rebounded, albeit marginally, during September.

However, seaborne thermal coal imports by the world's third largest energy consumer are expected to rise further in the current month and the ongoing quarter as demand picks up.

According to energy intelligence firm Kpler, India's seaborne thermal coal imports rose by almost 5 per cent on a monthly basis last month to 12.65 million tonnes (mt). The shipments declined by around 9 per cent on an annual basis.

A post-monsoon recovery



Source: Kpler

"Following a seasonal low of 12.08 mt in August, imports experienced a modest rebound to 12.65 mt in September, down by 1.17 mt y-o-y. The end of monsoon season typically correlates with lower hydro and wind power output, increasing the country's reliance on coal-fired generation. This was likely the driving factor behind the extension of the import directive to power plants in mid-October," Kpler's Lead Major Dry Bulks Analyst Alexis Ellender told *businessline*.

ENERGY DEMAND UP

Going ahead, he projected that India's seaborne thermal coal imports are poised to rise further in October as demand picks up following the end of the monsoon season.

POSITIVE OUTLOOK

"The outlook for thermal coal imports has been boosted by Indian miners struggling to achieve significant growth in domestic coal production. At 68.96 mt, September output was up by only 2.51 per cent y-o-y. This followed a 7.51 per cent annual decline in August," Ellender explained.

India's cumulative coal production rose by 2.51 per cent y-o-y to 68.96 mt during September 2024. Captives/ Others also registered a positive growth of 30.61 per cent y-o-y producing 14.26 mt coal.

Despatch of the dry fuel increased by 5.32 per cent to 73.99 mt in September 2024. Captives/ Others too registered a positive growth of 46.72 per cent on an annual basis by despatching 14.91 mt.

Compared to August 2024, pan-India coal production rose by 10.04 per cent, while despatch was higher by 5.11 per cent. Historically, monsoon months of June-September result in subdued mining and transportation activities as rains hinders mobility. Wide spread and heavy to very heavy rains across eastern India impacted mining and mobility this year.

"Higher-than-usual rainfall is expected to weigh on coal production in the first half of October. However, we do not expect thermal coal imports to reach the heights of the Q4 2023 as stockpiles at power plants are around two thirds higher y-o-y," Ellender said.

BUSINESS LINES DATE:31/10/2024 P.NO.10

Buy zinc at ₹275 with stop-loss at ₹260

Akhil Nallamuthu
bl. research bureau

Zinc futures on the MCX have maintained a lateral trend since early October. The November contract has been moving in the range of ₹275-292.

COMMODITY CALL.

That said, towards the end of September it broke out of ₹275, which led to the confirmation of a bull flag pattern.

Zinc futures are likely to touch ₹340 in the near-term. Before that, it should breach the ₹300 barrier, which is holding back the bulls.

If it drops below the support at ₹275, the near-term outlook can turn bearish. In such a scenario, the contract can moderate to ₹250.

TRADING STRATEGY

Buy zinc futures if the price softens to ₹275. Stop-loss can be ₹260. When the contract touches ₹300, revise the stop-loss to ₹285. Tighten the stop-loss further to ₹310 when the price hits ₹320. Trail the stop-loss to ₹320 when the contract rallies to ₹330. Liquidate longs at ₹340. If the contract breaks out of ₹300 instead of softening to ₹275, one can go long with initial stop-loss at ₹285. Stop-loss adjustments and target can be as mentioned above.

BUSINESS LINES DATE:31/10/2024 P.NO.9

Steel trade deficit widens to ₹19,404 cr in H1FY25

RISING CHINESE IMPORTS. Nearly one out of every three steel shipments, in volume terms, continued to be from China, data show

Abhishek Law
New Delhi

India's steel trade deficit (excess of imports over exports) for April-September 2024 (H1FY25), in value terms, has widened to ₹19,404 crore, more than doubling over FY24 levels of ₹9,036 crore, as the country continued to remain a net importer of the metal.

Rising Chinese shipments, including routing of the metal offerings via Vietnam, coupled with declining exports have skewed trade numbers, per a report by the Steel Ministry, accessed by *businessline*.

In the year-ago-period, India was a net exporter of steel with the trade surplus — excess of export over imports — being valued at ₹234 crore (imports at ₹26,923 crore and exports at ₹27,157 crore.)

Volume-wise, imports for H1FY25 was 4.73 million tonnes (mt) — up 42 per cent y-o-y and valued at ₹39,060 crore; while export was at 2.3 mt — down 36 per cent and valued at ₹19,656 crore, indicating continued pressure in the sector.

"In China, prices softened y-o-y, but saw a marginal uptick month-on-month backed by seasonal steel demand recovery in both construction and manufacturing sectors; in addition to steel output cuts and lower steel inventories.

DECLINING PRICES

"As regard to flat steel products, prices generally witnessed a declining trend during the month (September) barring stray aberrations. Cheap import offers kept the market sentiment bearish in India while prices inched down in the European Union amid continued market slump," the Ministry report noted.

BRIGHTER TIMES. In the year-ago-period, India was a net exporter of steel with trade surplus ISTOCK.COM

Nearly one out of every three steel shipment (in volume terms) continued to be from China, the Ministry data showed. Around 1.44 mt of the metal came into India over the first six months of the fiscal, indicating an over 36 per cent y-o-y.

China was the largest import market replacing Japan and Korea – the two traditional large importers of the metal. Nearly 40 per cent of the shipments coming in – around 0.56 mt – was in the alloy or stainless steel segment.

Electrical steel sheets, galvanised plates and sheets, and steel plates were amongst the most imported items into the country, higher than other key seller markets (importers) of Japan and Korea.

On the other hand, imports from Vietnam saw a 124 per cent y-o-y increase for the first half of the fiscal to 0.43 mt. In the year-ago period, it was around 0.19 mt.

"China and Vietnam together accounts for close to 40 per cent of the total steel shipments coming in first half of the fiscal. We believe there is some credence to the allegation that Vietnam is being used to route Chinese steel shipments. So we are firming up the BIS standards, strengthening the permissions and also looking into melt and pour norms, among others. We are asking BIS to come up with more standards so that any type of steel coming into India is registered," a senior Ministry official said.

EXPORTS PICK UP

Market intelligence firm BigMint in a recent report said, that West Asia export market for Indian steel mills are witnessing revival, after prolonged slowdown and price competition from cheaper Chinese offerings.

Offers to West Asia resumed reportedly after six months with Indian exporters quoting around $560 per tonne, down $10 week on week (w-o-w), and nearly 20,000-25,000 tonne of hot-rolled coils (HRC) were booked, the market intelligence firm said.

West Asia has over the last few months stopped being amongst the top five buyers of Indian steel. On the other hand, Europe — Italy, Spain and Belgium — and the UK are the largest buyers of Indian steel, close to 50 per cent of the export shipments for H1FY25 or 1.1 mt of 2.3 mt. India's HRC offers to Europe remained stable w-o-w to $590-595 per tonne, as per BigMint data.

NAVBHARAT DATE:31/10/2024 P.NO.5

India, Saudi Arabia explore ties in fertilizer, petrochem & mining

FUTURE PLANS. Goyal holds talks with Schneider Electric, General Atlantic CEOs in Riyadh

Our Bureau
New Delhi

Commerce & Industry Minister Piyush Goyal had wide-ranging discussions on India's bilateral ties and trade and potential areas for further economic cooperation with Saudi Arabia in a meeting with Saudi Minister for Industry and Mineral Resources Bandar bin Ibrahim Alkhorayef on Wednesday.

The Minister, on a two-day official visit to Riyadh, also met the heads of Schneider Electric and General Atlantic and discussed their India plans.

"Met Saudi Minister for Industry and Mineral Resources Bandar bin Ibrahim Alkhorayef, and had a wide-ranging discussion on our bilateral ties and trade," Goyal tweeted on Wednesday.

"We further deliberated and explored potential areas for cooperation in the fertilizers, petrochemicals, and mining sectors," the tweet added.

FOR COLLABORATION. Commerce Minister Piyush Goyal with Peter Herweck, CEO Schneider Electric, in Riyadh

MINISTERIAL MEETING

Goyal is in Saudi Arabia to co-chair the second Ministerial Meeting of the Economy and Investment Committee under the India-Saudi Strategic Partnership Council, focusing on sectors like agriculture, food security, energy, technology, and infrastructure.

He also participated in the 8th edition of the Future Investment Initiative (FII) in Riyadh, a crucial platform that brings together global leaders, investors, and innovators.

The Minister met Peter Herweck, CEO of Schneider Electric, a global company specialising in energy management and digital automation with a strong presence in India.

"Discussed the company's investment plans for India and how it can leverage the nation's talent pool and government support to provide high-tech, sustainable, and energy-efficient solutions to the world," he tweeted. The Minister also had a "wonderful meeting" with William E. Ford, Chairman and CEO of global growth investment firm, General Atlantic.

HEALTHCARE SECTOR

"Discussed the company's potential to collaborate with India's healthcare sector especially in consumer-focused health enterprises. Additionally, explored potential for expansion of their investment in Global Capability Centres (GCCs), as well as various other sectors, in the country," Goyal tweeted.
