Gold fluctuates on recovery signs

Bloomberg
Feb. 7

Gold futures for April delivery rose $1.50, or 0.1 per cent, to $1,350.50 an ounce at 10:25 a.m. on the Comex in New York. Earlier, the contract fluctuated, rising and falling as much as 0.4 per cent. On speculation that while the economic recovery is strengthening, the Federal Reserve will maintain its easy monetary policy.

Immediate-delivery bullion lost $1.17, or 0.1 per cent, to $1,347.68 an ounce at 11:39 a.m. in London.

Bullion fell to $1,347 an ounce in the morning fixing in London. Silver for immediate delivery in London added 0.4 per cent to $29.2463 an ounce. Palladium gained 0.6 per cent to $819 an ounce, after climbing to $833.95 on Feb. 4, the highest price since March 2001. Platinum was little changed at $1,844.76 an ounce.

Bullion rates
Mumbai: Silver spot (.999 fineness): Rs 44,975; standard gold (99.5 Purity): Rs 20,000; Pure gold (99.9 purity): Rs 20,100.
NCL CMD bags Geoscience Award

Northern Coalfields Limited (NCL) CMD V.K. Singh has bagged the prestigious Geoscience Award for the year 2009. The award has been conferred on Singh by Vice President of India, Hamid Ansari, recently in New Delhi, in recognition of his meritorious contribution in the field of Mining Technology.
Hind Copper share sale unlikely in FY11

Mumbai: Hindustan Copper's follow-on offer is unlikely to hit the market in the current fiscal year, chairman and managing director Shakeel Ahmed said on Friday. "There is no clarity on the date. That is finalised by the department of disinvestment but it will not come in the current fiscal year."

REUTERS
वैशिक तेजी से अल्यूमीनियम वायदे में बढ़ोतरी

विज्ञापन भाषक • नई लीक

वैशिक तरा पर आई तेजी के कारण अल्यूमीनियम में उछल दस्त किया गया। शाम पांच बजे तक एसीईआरएस में अल्यूमीनियम फर्स्टरी क्वांटा 0.22 फौस्ती बढ़कर 116.10 रुपये प्रति किलो के स्तर पर पहुंच गया। जानने का मानना है कि अल्यूमिनियम का उत्पादन बढ़ाने के कारण यह तेजी आई है। शार्ट टर्म में कुछ निर्देश रह सकती है। लेकिन लंबे टर्म में उछल के आसार है।

जिक

लंदन में एंस्टोरेज में हुई बढ़ोतरी के कारण जिक में तेजी का रेखा रहा। शाम पांच बजे तक एसीईआरएस में जिक फर्स्टरी क्वांटा 0.53 फौस्ती बढ़कर 144.70 रुपये प्रति किलो हो गए। जिस जिक के दम पर भी बढ़ता है। शार्ट टर्म को निर्देशक के बारे में तेजी से आ सकती है।

केस्टर सीड

निर्देशक गांव बढ़ने के चलते केस्टर सीड में तेजी का दर रहा। एसीईआरएस में केस्टर सीड फर्स्टरी क्वांटा 4 फौस्ती बढ़कर 5,371.50 रुपये प्रति किलो के स्तर पर पहुंच गए। बाजार से जुड़े लोगों का मानना है कि ज़ोर-ज़ोर संघ और चीन की तरफ से केस्टर सीड को खरीद बन रही है। जिसके चलते इस कमोडिटी में तेजी का रेखा देखाया गया है।

ग्यारांग

मुनाफाधारकों के चलते ग्यारांग में निकट दर का रेखा रहा। एसीईआरएस में ग्यारांग फर्स्टरी क्वांटा 4 फौस्ती निकट 7,917 रुपये प्रति किलो के स्तर पर रह गए। कहीं कमोडिटी के विलेन वरिशा निर्देशक ने बताया कि वहाँ ग्यारांग ग्यार के लिए तेजी आ गई थी। जिसके कारण अब इसमें मुनाफाधारक हुई है। इसके साथ ही इस तरह खरीददारों भी कम हुई है।
सप्लाई घटने की आशंका से कॉपर और ऊंचाई पर

विलय - 

विलय में विकल्प संपत्त से कॉपर का उत्कृष्ट क्रियाकलाप की संभावना।

ईंडोनेशिया में टिन की भी सप्लाई घटने से भारी रिकॉर्ड पर

भी बनी हुई है। इंडोनेशिया सप्लाई में इस्तेमाल होने वाली इस घटना के भी धार रिकॉर्ड तार पर पहुंच गए हैं। इसके बाद बढ़कर 31,395 टॉन के रिकॉर्ड तार पर पहुंच गए। इंडोनेशिया की सरकार कंपनी पैदी तिकाएं, जो विन्यास की सबसे बड़ी टिन खनन कंपनी है, ने कहा कि विकल्प शाला उदय की टिन उत्पादन करने देने दिया गया। सप्लाई घटने को पहले से इसके मूल्य को समझना मिला है।

एक वर्तमान खनन अधिकारी ने फिर किए दिए कहा कि अगर टिन के धार रिकॉर्ड तार पर पहुंचते हैं तो इंडोनेशिया सरकार सालाना उत्पादन की सीमा एक लाख टॉन पर कर सकती है। सोमवार को तीन माह बाद टिन के भाव 20 डॉलर बढ़कर 31,220 डॉलर प्रति टॉन तक पहुंच गए।
विदेशी तेजी से चांदी 100 रुपये बढ़ी

अंतरराष्ट्रीय बाजार में दाम बढ़ने से सेम्पक बाजार में भी चांदी की कीमतें 100 रुपये की तेजी आकर प्रति 44,900 रुपये प्रति किलो हो गई। हालांकि इसे दोहराने को कोई ना ना 25 रुपये की गिरावट आकर प्रति 20,380 रुपये प्रति किलो हो रही है।

अंतरराष्ट्रीय बाजार में सेम्पक को चांदी का भाव बढ़कर 29.30 डॉलर प्रति औसत पर अमेरिका करने देखा गया। चार परवर्षी की इसका भाव विदेशी बाजार में 29.14 डॉलर प्रति औसत पर बंद रहा था। सेम्पक को कोई बाजार में अंतरराष्ट्रीय बाजार में सेम्पक को कोई डॉलर की गिरावट आकर 1,346 डॉलर प्रति औसत पर कारोबार करते देखा गया। चार परवर्षी की विशेषज्ञ कहते में सेम्पक 1,348 डॉलर प्रति औसत पर बंद हुआ था। विदेशी बाजार में सेम्पक के दाम उछले कुछ दिनों से सुसंग पड़े हुए हैं।
COPPER PRICE RISE DELAYS INFRASTRUCTURE PROJECTS

With prices up 39% in the last six months, demand for wires and cables has declined 35%

DILIP KUMAR JHA
Mumbai, 7 February

The demand for copper wires and cables has declined around 35 per cent in the last six months, due to a dramatic rise in copper prices. As a result, cabling contractors in major infrastructure and housing projects are demanding revision in contract valuations.

Experts believe many infrastructure and construction projects have been delayed due to the negotiations between contractors and builders.

The wire and cable industry accounts for over 30 per cent of the country's total consumption of 700,000 tonnes. Depending on the size of the project, copper wires and cables account for 7-10 per cent of the cost.

Sandeep Jain, managing director of Laurel Wires Ltd, a Mumbai-based cable manufacturer, said rising copper prices kept contractors away from the market in December and January, reducing the business nearly by half. Current prices were more than three times the cost of production, he added.

Copper prices have quadrupled in the last two years, from $2,800 a tonne in 2008 to over $10,000 a tonne. They have surged 39 per cent in the last six months, from $7,195 on July 30, 2010.

As a consequence, the Indian wire and cable industry is gradually shifting from copper to aluminium, especially in high-tensile wire applications.

But, there are certain areas where copper wire cannot be replaced with aluminium, as in household electrical equipment.

The current price rise is purely speculative, based on low inventory and high demand from emerging economies like China, reckon analysts. India, being a copper-surplus country, realises more when global prices rise, but the downstream industry takes a hit.

Higher realisation might boost the top line of domestic companies, but would surely take a toll on the bottom line, said Jain.

Surendra Mardia, former president of the trade body, the Bombay Metal Exchange, said, "The rise in prices has increased housing costs globally. Copper was getting a part of the paper money (economic booster and the second round of quantitative easing) being pumped into the system," Mardia added.

But, the impact would be severe when wire and cable companies would pass on the price increase to consumers within the next two months, Mardia added.

According to analysts, the demand for wires and cables is likely to remain robust, as emerging economies focus more on infrastructure development.
GDP to grow by 8.6%

NEW DELHI, 7 FEB: A high farm output on top of abundant rainfall has helped the Indian economy grow by an estimated 8.6 per cent in 2010-11 compared with eight per cent a year ago, but high inflation remains a dampener.

According to advance estimates released by the government, the Indian economy would grow by 8.6 per cent in this financial year, despite fragile global recovery since financial meltdown of 2008.

“Along I was maintaining, it should be around 8.5 per cent plus. 8.6 per cent is accepted,” finance minister Mr Pranab Mukherjee said adding: “Now the other issues are inflation and trade balance... these are to be addressed”.

Agriculture and allied activities are expected to grow at 5.4 per cent in 2010-11 compared to just 0.4 per cent in the previous financial year.

The 8.6 per cent GDP growth prospects, however, could not cheer markets. The BSE benchmark Sensex closed almost flat at 18,637.19 points on concerns of inflation and rising interest rates.

The CSO's GDP growth projection is a shade higher than the forecasts of 8.5 per cent made by the Reserve Bank of India and finance minister Mr Pranab Mukherjee earlier.

While services such as trade, hotel, transport and communications improved to 11 per cent from 9.7 per cent, the manufacturing remains static at 8.8 per cent year-on-year.

Mining and quarrying is likely to grow by 6.2 per cent compared to 6.9 per cent a year ago, while electricity, gas and water production will grow up by 5.1 per cent as against 6.4 per cent in the previous fiscal.

With over dependence on monsoon, the country's agricultural growth continues to fluctuate year-on-year depending on the weather.

Mr Mukherjee said the economic growth estimated was satisfactory in the wake of the rising inflation and trade imbalances.

However, chief economic adviser Mr Kaushik Basu, while admitting inflation was a concern, said it would not affect the growth story.
SUPPLY CRUNCH CONSUMER GOODS MAY TURN COSTLY

Oz mine reopening may cool zinc & nickel prices

Major Mines Were Shut Down In The Wake Of Cyclone Yasi

Sutanuka Ghosal & Rakhi Mazumdar

KOLKATA

GLOBAL zinc and nickel supplies are likely to ease this week with Australian zinc mine Century and nickel refinery QNI slated to reopen this week after they were shut down as a precautionary measure in the wake of Cyclone Yasi. The two mines account for some of the largest supplies of the two base metals globally, which find use as non-corrosive coatings across a range of steel-based consumer durables.

While zinc is used as a galvanising agent on steel sheets, nickel goes into the making of stainless steel which is preferred across transportation and consumer durable sectors as a rust-free and weather-proof material. Galvanised sheets and stainless steel are used in train wagons, cars, refrigerators, washing machines and even high-end construction.

With supplies from mines getting affected, the prices of the two base metals are estimated to go up. With prices benchmarked to rates on the London Metal Exchange (LME), Indian steel makers would have to contend with higher input costs on account of zinc and nickel. This could push up the prices of consumer durables too.

Analysts feel that the price uptick in zinc and nickel will continue for some time now. For instance, zinc was at ₹110.5 per kg at the beginning of this month but it has gone up to ₹114/kg now. On the LME, the price has appreciated nearly $136 per tonne to $2,538 per tonne in the first week of February. "Prices are expected to firm once China enters the market. People are betting on short covering if China comes into the trade," said Anand James, chief analyst at Geojit Comtrade.

The only silver lining is that while operations at the QNI refinery, which produces 30,000 tonne per year, are likely to resume and production due to start over the weekend, the Century zinc mine was to be reactivated this week after precautionary closures.

Incidentally, the Century mine is estimated to produce over 500,000 tonne of zinc in concentrate in 2011. However, production losses from the suspension were likely to be less than 9,600 tonne anticipated earlier by the company.

Xstrata's Mt Isa copper mining and smelting unit in Australia is also set to start operations this week. However, it is uncertain when the Townsville refinery which produces 300,000 tonne a year would restart. Production at the refinery, located close to the QNI plant, was suspended on February 2 in the wake of the cyclone.

The rise in nickel prices continued for the third straight session on Monday and prices remained trading at 34-month highs on MCX. The near-month February expiry contract for nickel now trades at ₹1,306 per kg, up ₹11 or 1%.
Geoscience Award to NCL, CMD

V.K. Singh, Chairman-Cum-Managing Director, Northern Coalfields Limited (NCL), has bagged the Geoscience Award for the year 2009. The award was conferred on Singh by Hamid Ansari, Vice President of India. The presentation ceremony was presided over by Dinsha J. Patel, Minister of State, Mines (Independent charge).
Bihar’s Singur? Stir over asbestos plant
State Passes Buck To Centre, Says Not Involved

Abarita Gosh | TNN

New Delhi: Ongoing public protests in Muzaffarpur over an upcoming asbestos plant have forced the district administration to impose Section 144 near the facility, forcing stoppage of work and preventing protesters from gathering near the site.

The use of asbestos, which is known to cause lung cancer and silicosis, is banned in many countries around the world, including Australia, New Zealand, Egypt, Argentina, South Africa and Switzerland.

In India, though mining of asbestos is banned, units are allowed to manufacture asbestos products.

Muzaffarpur district magistrate Anand Kishore told TOI, “Section 144 has been imposed near the site of the asbestos plant. I have no information whether the project would be shelved for good.”

Bihar is planning to open several asbestos plants in Bhojpur, West Champaran and Vaishali. Bihar deputy chief minister and environment minister Sushil Kumar Modi refused to comment on the controversy. Government sources passed the buck to the Centre, saying the latter gave all the clearances to the firms.

In Muzaffarpur, a number of political parties — such as CPI, CPI(M), SUCI — have urged the state government to permanently halt work on the plant in public interest. They are also demanding for release of the protesters. Sources in the directorate general of mining safety say the ban on mining owing to health hazards does not make sense. Their argument: During mining “about 2½ inches of a 72-inch pit has asbestos, whereas there is 100% of it in a factory.”

Director general of mining safety, Satish Pratih, refused to be drawn into controversy. “I cannot comment on policies. I can only talk about issues of mining safety. Asbestos is known to cause silicosis,” Rajya Sabha MP Vijay Jawaharlal Bhardwaj said.

Asbestos is a big asbestos market for countries like Australia and South Africa, which have banned its use but continue to mine it.

“Research has proved that it causes cancer. I am aware of a lot of new units being set up in Bihar. It should be stopped immediately,” Bhardwaj said. He added that even if the mining rights are not given, the Bill can still be enacted.

It got lapsed after my tenure as a minister. I have written to the Rajya Sabha secretariat.”
Copper rises to records

Bloomberg

Feb. 7

Copper rose to records in New York and London after figures signalled the US economic recovery is continuing and on speculation that Chinese buying will resume after a weeklong holiday.

Copper for March delivery was up at $4,6215 after rising to record $4,6375 a lb. Copper for three-month delivery climbed as high as $10,160 a tonne on the London Metal Exchange.

Tin for three-month delivery was last up at $31,350. Nickel was at $28,730 a tonne.

Aluminum was up at $2,559 a tonne, zinc at $2,527 a tonne and lead at $2,595 a tonne.
MINT, Delhi
Tuesday, 8th February 2011, Page: 28

The move can give China increased power to influence global prices

By James T. Arduini

China is building strategic reserves of rare earth metals, an effort that could help Beijing, or at least not hurt it, in its current territorial disputes with Japan and Vietnam. The country's mining companies are ramping up operations. But a new mine in the state of Texas could be a decade or more away from production, and processing of rare earth elements is currently concentrated in China.

China's push for strategic reserves is part of a broader effort to assert greater influence in the global economy. In recent months, China has been negotiating with other countries, including Japan and Vietnam, to secure access to rare earth metals. These metals are used in a wide range of industries, from electronics to defense.

China, which accounts for about 95% of global rare earth production, has long been accused of manipulating its market to benefit its own companies. But as demand for these metals continues to grow, other countries are looking to develop their own reserves to reduce their dependence on China.

The U.S. government has been working to diversify its supply of rare earth metals, but it has recently faced criticism for its handling of the rare earth trade. Some experts argue that the U.S. should be doing more to develop its own resources.

The move by China to build strategic reserves is likely to be welcomed by some in the U.S., who have been calling for increased diversification of the supply chain. But it could also be a source of tension with China, which some see as an increasingly assertive country.

The move to build strategic reserves comes at a time when China is facing increasing pressure from the U.S. and other nations to open its markets and reduce its influence in the global economy. In recent months, China has been accused of using its economic power to pressure other countries, including Japan and the U.S., to conform to its wishes.

China's push for strategic reserves is likely to be a source of tension with other countries, but it could also be seen as a way to maintain its influence in the global economy. As demand for rare earth metals continues to grow, other countries are likely to follow China's lead.

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**ON CHINA**

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