



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 01st July 2020

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	48534	48559
Gold	995	48340	48365
Gold	916	44457	44480
Gold	750	36401	36419
Gold	585	28392	28407
Silver	999	48556	48600

* Rates are exclusive of GST as of 30th June 2020
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
30 Jun 2020	48559	48600
29 Jun 2020	48554	48565
26 Jun 2020	48234	48285
25 Jun 2020	48137	47585

The above rates are IBJA PM Rates
*Rates are exclusive of GST

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Aug	1800.50	19.30	1.08
Silver(\$/oz)	July	18.64	0.57	3.17

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	29July2020	1778
Gold Quanto	29July2020	48782
Silver (\$/oz)	26 July2020	18.58

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,178.90	0.00
iShares Silver	15,489.77	168.07

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1770.70
Gold London PM Fix(\$/oz)	1768.10
Silver London Fix(\$/oz)	17.85

Weekly CFTC Positions

	Long	Short	Net
Gold	2,05,519.00	29,855	1,75,644.00
Silver	51,609	22,436	29,173

Gold Ratio

Gold Silver Ratio	96.61
Gold Crude Ratio	45.85

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
01 st July 5:00PM	United States	Challenger Job Cuts y/y	-	577.8%	Low
01 st July 5:45PM	United States	ADP Non-Farm Employment Change	2850K	2760K	High
01 st July 7:15PM	United States	Final Manufacturing PMI	49.6	49.6	Low
01 st July 7:30PM	United States	ISM Manufacturing PMI	49.5	43.1	Medium
01 st July 7:30PM	United States	Construction Spending m/m	1.0%	-2.9%	Low
01 st July 7:30PM	United States	ISM Manufacturing Prices	43.8	40.8	Low
01 st July 11:30PM	United States	FOMC Meeting Minutes	-	-	Medium



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Nirmal Bang Securities - Daily Bullion News and Summary

Market Summary and News

- Gold futures rose above \$1,800 an ounce for the first time in more than eight years as low-interest rates and a resurgence in coronavirus cases drive demand for the metal as a haven. Bullion for August delivery rose as much as 1.3% to \$1,804 an ounce Tuesday on the Comex in New York, the highest for a most-active contract since November 2011. The metal posted its best quarter in four years. With coronavirus cases topping 10 million and still growing, investors are running to gold for insurance against further economic fallout. Federal Reserve Chair Jerome Powell told Congress Tuesday that getting the virus under control is vital. A flare-up in U.S.-China trade frictions is also lending support to the metal, and banks forecast more gains.
- There's also increased geopolitical tension after Chinese President Xi Jinping signed a landmark national security law for Hong Kong, a sweeping attempt to quell dissent that has already drawn U.S. retaliation and could endanger the city's appeal as a financial hub. U.K. Prime Minister Boris Johnson said he was "deeply concerned" about the move while the Trump administration vowed "strong actions" if Beijing didn't reverse course. Investors continue to pile into gold-backed exchange-traded funds, with holdings at a record. New hot spots are emerging, and the World Health Organization is warning that the worst of the pandemic is still to come because of a lack of global solidarity.
- CME to Expand Delivery of New Comex Gold Contract to London. Exchange will amend rules for its new gold futures contract to allow delivery in London, U.K., CME says in notice.
- Federal Reserve Chair Jerome Powell stressed to Congress Tuesday that getting the coronavirus under control was vital as the U.S. economy rebounds from the sharpest contraction on record. "We have entered an important new phase and have done so sooner than expected," Powell told the House Financial Services Committee while wearing a face mask in a joint appearance with U.S. Treasury Secretary Steven Mnuchin. "While this bounce back in economic activity is welcome, it also presents new challenges notably, the need to keep the virus in check." Parts of the U.S. are taking steps to scale back reopening amid a fresh surge in infection rates, with Arizona closing bars and New Jersey halting plans for indoor dining. Massive monetary and fiscal policy stimulus has been unleashed to support the U.S. economy during the pandemic, but signs the crisis may linger longer will increase pressure for more aid.
- Fed Hopes for Recovery While Preparing for a Second Virus Wave. The Fed has slashed interest rates to zero and worked with Treasury to launch nine emergency lending programs aimed at providing a credit backstop to everything from municipalities to medium-sized businesses. Those actions helped lower borrowing costs and keep the financial system liquid in a time of stress, while propelling the stock market higher. The Standard and Poor's 500 stock index is up about 37% from its March lows. In addition to monetary stimulus, U.S. lawmakers have also approved almost \$3 trillion in taxpayer support including direct assistance to small businesses and enhanced unemployment insurance for the many millions of workers who've lost jobs since the virus struck. These massive expansions of the money supply are the key reason for gold to do well.

Fundamental outlook: We are bullish on longer-term outlook of gold; fresh longs can be initiated with strict stop loss.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	1730	1745	1768	1790	1810	1830
Silver – COMEX	July	17.30	17.50	17.80	18.00	18.30	18.50
Gold – MCX	August	48250	48550	48700	49000	49300	49550
Silver - MCX	July	48800	49500	50000	50500	51200	51650



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
97.39	-0.14	-0.15

Bond Yield

10 YR Bonds	LTP	Change
United States	0.6561	0.0327
Europe	-0.4560	0.0160
Japan	0.0280	0.0100
India	5.8860	-0.0180

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4676	0.0631
South Korea Won	1202.9	4.2000
Russia Ruble	71.1864	1.1721
Chinese Yuan	7.064	-0.0171
Vietnam Dong	23196	4
Mexican Peso	22.9924	-0.0843

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.78	-0.05
USDINR	75.785	0.09
JPYINR	70.35	-0.255
GBPINR	93.0225	-0.21
EURINR	84.965	-0.4275
USDJPY	107.75	0.51
GBPUSD	1.2276	-0.0044
EURUSD	1.1213	-0.0063

Market Summary and News

- The Russian Ruble's record recovery in the past three months has stumbled on a familiar threat as a potential dispute with the U.S. brings back talk of sanctions. Allegations that Russians offered bounties for the killing of American soldiers in Afghanistan have served up a reminder that the danger of sanctions hasn't gone away, and may intensify as U.S. elections near. Falling oil prices have also contributed to trim the currency's rebound in the second quarter to just over 10%. Ruble traders are wary of the accusations from U.S. intelligence services that could eventually bring new negative attention on Russia in the form of trade or other sanctions.
- The new allegations could resurrect calls for tougher penalties against Russia's local-currency debt, financial institutions and the oil and gas industry. The ruble was by far the biggest decliner among emerging-market peers on Tuesday, losing 1.8% to 71.2474 per dollar as of 3:42 p.m. in Moscow and headed for its weakest level in a month. The Russian currency's record gain this quarter comes after a more than 20% collapse in the first three months. The coronavirus pandemic sparked an exodus from riskier assets, while an oil price war between Russia and Saudi Arabia added to pressure on the ruble.
- India's current account balance recorded a marginal surplus of \$0.6 billion, or 0.1% of GDP, in Jan - March quarter vs. a deficit of \$4.6 billion last year, according to a statement from RBI. The surplus in the current account was primarily on account of a lower trade deficit at \$35 billion and a sharp rise in net invisible receipts at \$35.6 billion as compared with the corresponding period of last year
- Data for the week ended June 28 suggest the supply-side gains are now beginning to flatten out. Relaxations starting July 1 are also likely to yield only muted gains. The changes introduced in phase 2 of the lockdown will permit central and state government training institutes to function, remove restrictions on inter-state movement of goods and people, relax nighttime curfew hours, and allow for a calibrated expansion of domestic flights and rail. But for containment zones & hot spots designated by local governments -- the lockdown was extended until July 31. The rollback of restrictions is taking longer than signalled by the government. New COVID 19 active cases have increased, reversing the declines in the prior two weeks. On the demand side it is likely that consumer sentiment will remain subdued for longer.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.8500	75.1000	75.4000	75.6500	75.8500	76.1500



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	48270
High	48825
Low	48180
Close	48762
Value Change	518
% Change	1.07
Spread Near-Next	130
Volume (Lots)	14230
Open Interest	13352
Change in OI (%)	1.53%

Gold - Outlook for the Day

Comex Gold has given strong breakout and hit immediate resistance of \$1790. Seems that the prices are likely to go profit takings and again fresh buying can initiated at lower levels like \$1775. For the day Positive 9/21 MA shows some upside till \$1790/1810 if sustain above \$1770. RSI trading above 50 shows some strength in the commodity. Buy gold around \$1770/75 for the target of \$1800.

BUY GOLD AUG (MCX) AT 48550 SL 48000 TARGET 49000/49300.

Silver Market Update



Market View

Open	49100
High	50494
Low	48958
Close	50364
Value Change	1381
% Change	2.82
Spread Near-Next	0
Volume (Lots)	35430
Open Interest	11614
Change in OI(%)	16.24%

Silver - Outlook for the Day

Comex Silver has given sharp breakout above \$18.00. It seems that the prices are likely to trade positive. Positive 9/21 MA shows positive momentum in silver support around \$17.80/90 can be used as accumulation for the target of \$18.30/50. For the day silver should buy on dips around \$17.80/90 for the target of \$18.30/50.

BUY SILVER SEPT (MCX) AT 50000 SL 49500 TARGET 51000/51200.



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	75.69
High	75.8075
Low	75.625
Close	75.785
Value Change	0.09
% Change	0.12
Spread Near-Next	0.23
Volume	1171942
Open Interest	1631139
Change in OI (%)	-3.53%

USDINR - Outlook for the Day

USDINR had a flat open and tested the lows at 75.6250 but reversed from the same leading the pair to trade in green and close at 75.78. On the daily chart, the pair has formed a green candle but has continued with the long lower and high closure. Also the momentum in the pair is still in consolidation phase with the band range placed at 75.95 – 75.65. USDINR is now trading below all the important moving averages on the daily chart. The moving averages itself has gone flat all three trading parallel indicating lack of momentum and consolidation phase in short term. The immediate resistance in the pair at 75.95 and if the price breaches the same bullish momentum will continue towards 76.15 – 76.25. However, a breach of 75.60 support can lead the pair to continue its bearish momentum towards 75.40 – 75.30. The daily strength indicator RSI and momentum oscillator Stochastic both are in negative zone which is still indicating weakness in the pair.

Sell USDINR below 75.65 for the target of 75.40 / 75.30 with the stoploss at 75.75

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR July	75.1500	75.4500	75.6000	75.9000	76.1500	76.3500



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