



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 06th August 2020

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	55201	55448
Gold	995	54980	55226
Gold	916	50564	50790
Gold	750	41401	41586
Gold	585	32293	32437
Silver	999	69225	71200

* Rates are exclusive of GST as of 05th August 2020
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
5 th August 2020	55448	71200
4 th August 2020	54004	64735
3 rd August 2020	53976	64770
31 st July 2020	53528	53528

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	December	2049.30	28.30	1.40
Silver(\$/oz)	September	26.89	0.86	3.31

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	28 September 2020	2042.8
Gold Quanto	23 September 2020	55118
Silver (\$/oz)	27 August 2020	27.13

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,267.96	10.23
iShares Silver	17,808.74	159.31

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2034.45
Gold London PM Fix(\$/oz)	2048.15
Silver London Fix(\$/oz)	26.95

Weekly CFTC Positions

	Long	Short	Net
Gold	2,11,455.00	36,945.00	1,74,510.00
Silver	58,138.00	25,976.00	32,162.00

Gold Ratio

Gold Silver Ratio	76.21
Gold Crude Ratio	48.57

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
6 th August 11:30AM	United Kingdom	BOE Monetary Policy Report	-	-	High
6 th August 11:30AM	United Kingdom	Official Bank Rate	0.10%	0.10%	High
6 th August 6:00PM	United States	Unemployment Claims	1410K	1434K	Medium

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1965	1980	2010	2040	2055	2070
Silver – COMEX	September	25.75	26.00	26.40	27.10	27.45	27.60
Gold – MCX	October	54250	54600	54900	55250	55550	55850
Silver - MCX	September	69800	71200	71750	72300	73000	73800



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Nirmal Bang Securities - Daily Bullion News and Summary

Market Summary and News

- Spot gold steadied after hitting a record as investors weighed encouraging news on the coronavirus vaccine front, mixed U.S. data and the potential for more stimulus. Novavax Inc. jumped on positive early data from its experimental vaccine for Covid-19. Payroll gains at U.S. companies slowed sharply in July, ADP Research Institute data showed, suggesting the pickup in virus cases is putting the brakes on the job market and the economic recovery. On the stimulus front, Democrats are demanding more Republican concessions to meet an end-of-the-week deadline for a deal on pandemic relief.
- The precious-metal rally comes in spite of economic data showing activity in the euro zone is recovering well, with output expanding for the first time since coronavirus lockdowns hit the economy in March. Friday will bring an update of the U.S. labor market, with economists expecting unemployment to decline to 10.5%. Shifts in the U.S. bond market have helped underpin gold's ascent. Real yields on 10-year Treasuries have collapsed below zero. Meanwhile, U.S. and Chinese officials plan to assess the nations' trade accord this month against a backdrop of rising tensions between the countries, according to people briefed on the matter.
- The Federal Reserve's framework review will probably conclude by September and may see the central bank move to average inflation targeting, former Fed Chair Janet Yellen said. "Instead of saying that it's always aiming for 2% inflation, regardless of how inflation has actually behaved and evolved in the past, I anticipate that it will indicate a desire for inflation to average roughly 2% over time" Such an announcement would provide the market confidence in the Fed's commitment to keep rates low for a long time and would spur activity and push up inflation, Yellen said.
- For unabashed gold bulls, there are trillions of dollars in the bond market just ready to snap the metal up in a world short on hedges but big on risk. Spurred on by real yields at record lows and monetary dangers ahead, asset allocators are primed to start ditching some of their government debt holdings, the theory goes. Given the size of the fixed-income universe, it wouldn't take much to power the gold price to fresh and dizzying highs.
- Switzerland is a major gold-refining hub. Measured in kilograms, the amount of gold, silver and coin it shipped to the U.S. quintupled in the second quarter, Federal Customs Administration data show. Combined with a rally in gold prices and you've got that category of exports surging by an eye-watering 650% in Swiss franc terms. Swiss authorities have been at pains to explain their case to U.S. officials, who've cited the large trade gap as one of the reasons for the Swiss being on the U.S. Treasury's watch list for currency manipulators.
- Gold and silver climbed more than 65% in the space of two years, spurring inevitable questions about when they top out. But the ride probably won't end until the Fed thinks about thinking about raising rates. The precious metals have blown past even the most- optimistic start-of-year forecasts in the London Bullion Market Association's hallowed analyst survey. Everyone was surprised by the coronavirus and policy response. But then, as is so often the case with gold, an initial advance on fundamentals started to morph into mania, built on the narrative of ever-lower real rates.

Fundamental Outlook: Gold prices are steady a little on the Covid-19 vaccines news, if the tests are successfully completed with the human trials, profit bookings in gold can be expected sooner than later, until then, gold prices will continue to rise higher and higher. Also weak dollar index and lower gold to silver ratio will keep gold and silver prices higher.



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
92.87	-0.51	-0.55

Bond Yield

10 YR Bonds	LTP	Change
United States	0.5477	0.0408
Europe	-0.5080	0.0450
Japan	0.0120	-0.0060
India	5.7650	-0.0090

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.2936	0.0071
South Korea Won	1188.75	-5.3000
Russia Ruble	72.8864	-0.6535
Chinese Yuan	6.9366	-0.0368
Vietnam Dong	23166	0
Mexican Peso	22.3728	-0.2973

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.13	-0.05
USDINR	75.015	-0.2625
JPYINR	70.8625	-0.07
GBPINR	98.4125	0.38
EURINR	88.8075	0.265
USDJPY	105.77	-0.45
GBPUSD	1.3121	0.0093
EURUSD	1.1842	0.0067

Market Summary and News

- India's rupee gained the most in two weeks on the back of higher stock inflows and a weaker dollar. Sovereign bonds were little changed. Market participants look forward to the central bank's rate decision on Thursday. USD/INR falls 0.1% to close at 74.9425 on Wednesday after declining by 0.3% intraday, most since July 17. Stocks saw inflows of \$1b this week, taking total inflows quarter-to-date to \$2.2b: exchange data.
- Emerging Asian currencies rallied, led by the Indonesian rupiah, as the dollar resumed its decline amid the ongoing debate between U.S. lawmakers over virus relief legislation. At the same time, tensions remained high over the U.S.-China trade deal. Regional equities rose, while bonds gained. U.S. Treasury Secretary Steven Mnuchin said the White House and Democrats aim to strike a deal on virus-relief legislation by the end of the week even though the two sides remain far apart on some key issues.
- The U.S. dollar was broad weaker, printing session lows in New York trade, amid a positive risk mood in stocks and commodity markets and improving American economic data. The Bloomberg Spot Dollar Index is down for the seventh session in nine; falling as much as 0.7%, the biggest drop in over a week; most global equity markets rose. Norway's krone and the Australian dollar led gains as oil and gold prices climbed higher. The yen, while the least resilient among the Group-of-10 peers, gained against the dollar after Bank of Japan Governor Haruhiko Kuroda said Japan is no longer in a state of inflation.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.70	74.85	75.00	75.35	75.50	75.65



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



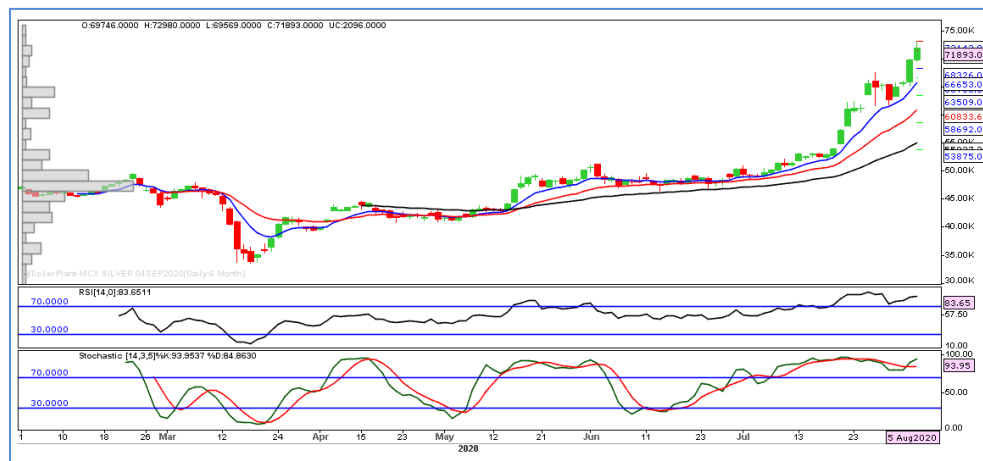
Market View	
Open	54777
High	55597
Low	54634
Close	55098
Value Change	547
% Change	1
Spread Near-Next	121
Volume (Lots)	16425
Open Interest	16322
Change in OI (%)	0.22%

Gold - Outlook for the Day

Comex Gold has seen a sharp upside and likely to continue the rally if sustain above \$2000. It seems that the prices are likely to test \$2040-50. For the day Positive 9/21 MA shows that the positive momentum and recommend to buy on dips around \$2000 for the target \$2040-50.

BUY GOLD OCT (MCX) AT 54900 SL 54600 TARGET 55500/55600.

Silver Market Update



Market View	
Open	69746
High	72980
Low	69569
Close	71893
Value Change	2096
% Change	3
Spread Near-Next	1961
Volume (Lots)	74620
Open Interest	13799
Change in OI(%)	2.21%

Silver - Outlook for the Day

In Comex Silver We are expecting prices to correct till \$26.3 for the day. It seems that the commodity can take upward momentum till \$27-27.45. Positive 9/21 MA shows positive momentum buy in dips around 26.3, silver can see some upside till \$27-27.4.

BUY SILVER SEPT (MCX) AT 71200 SL 69800 TARGET 72500/73000.



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Nirmal Bang Securities - Currency Technical Market Update

USDINRR Market Update



Market View

Open	75.36
High	75.3975
Low	75.15
Close	75.2775
Value Change	-0.1675
% Change	-0.22
Spread Near-Next	0.2175
Volume	1515052
Open Interest	1593490
Change in OI (%)	1.85%

USDINRR - Outlook for the Day

USDINR had a gap down at 75.10 and continued with the bearish momentum marking low at 74.85 first half of the session. However, second session witnessed momentum retracing the fall but failed to give closure in green this closing at 75.01. On the daily chart, the pair has marked a bearish candle with lower lows and highs indicating weakness in the pair. USDINR has marked the closure below the short term (09), medium term (21) as well as long term (50) moving average, thus supporting the bearish sentiment. The strength index RSI has turned negative whereas momentum oscillator Stochastic is still above their reference line thus indicating weakness to consolidation momentum in the pair. USDINR if in today's session moves above 75.10 it will test 75.25 - 75.45 levels on the higher side. However an open below 74.95 will lead the pair to bearish zone again towards the range of 74.80 - 74.70

Sell below 74.95 for the target of 74.80-74.75 with the stop loss @ 75.15

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR September	75.15	75.00	74.85	75.55	75.70	75.88



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