



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 20th May 2020

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	46966	46829
Gold	995	46778	46641
Gold	916	43020	42895
Gold	750	35225	35122
Gold	585	27475	27395
Silver	999	47010	46800

* Rates are exclusive of GST as of 19th May 2020
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold & Silver 999 Watch

Date	Gold*	Silver*
19 th May 2020	46829	46800
18 th May 2020	47861	48120
15 th May 2020	47067	45035
14 th May 2020	46322	42985

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

Comex Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	June	1745.60	11.20	0.65
Silver(\$/oz)	July	17.90	0.43	2.48

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	27 May 2020	1733.5
Gold Quanto	28May2020	47070
Silver (\$/oz)	28 Apr2020	17.85

ETF Holdings As On Previous Close

ETF	In Tons	Net Change
SPDR Gold	1113.78	0.00
iShares Silver	13690.44	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1735.25
Gold London PM Fix(\$/oz)	1737.95
Silver London Fix(\$/oz)	17.12

Weekly CFTC Positions

	Long	Short	Net
Gold	1,81,585.00	20612.00	1,60,973.00
Silver	28918.00	15249.00	13699.00

Gold Ratio

Gold Silver Ratio	97.51
Gold Crude Ratio	54.62

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
20 th May 11:30 AM	United Kingdom	CPI y/y	1.0%	1.5%	Medium
20 th May 7:30 PM	Europe	Consumer Confidence	-23	-23	Low
20 th May 11:30 PM	United States	FOMC Meeting Minutes	-	-	High
-	-	-	-	-	-
-	-	-	-	-	-



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Nirmal Bang Securities - Daily Bullion News and Summary

Market Summary and News

- Bullions again moved up yesterday as U.S. congressional testimony from Federal Reserve Chairman Powell said during the Senate hearing that the central bank is ready to use all the weapons in its arsenal to help the U.S. economy endure the coronavirus pandemic and that the central bank is expected to leave the benchmark lending rate near zero until the economy is back on track. Lawmakers of both parties pressed Mnuchin and Powell to move faster on hundreds of billions in lending to businesses, cities and states, and others.
- In a report Monday, IHS Markit predicted it will take two to three years for a full worldwide recovery. That's as the gross domestic product in China dropped at a record annualized pace of 33.8% in the first quarter, and as the U.S. is on track to record a second-quarter annualized contraction of around 40%. In an interview with CBS News "60 Minutes" program over the weekend, Federal Reserve Chairman Jerome Powell said a recovery might take until the end of 2021.
- Palladium jumped by the most since March amid renewed optimism about China's economy reopening and planned stimulus for automakers, the biggest consumers of the metal. It has dropped about a third since hitting a record in late February as the coronavirus pandemic dented automaker demand for the metal used in pollution control devices.
- Russia spent more than \$40 billion building a war chest of gold over the past five years, making it the world's biggest buyer. The central bank said it stopped buying gold to encourage miners and banks to export more and bring in foreign currency into Russia after oil prices crashed the value of the nation's gold reserves up 5% to \$126 billion as of May 1.
- Federal Reserve Bank of Boston President Eric Rosengren says additional monetary and fiscal policy actions will be required to counter the "extraordinary" economic pain brought about by the coronavirus pandemic. "The economy has suffered a truly severe shock from the COVID-19 public health crisis," Rosengren says in the text of remarks he's scheduled to deliver online Tuesday to the New England Council. "Now is the time for both monetary and fiscal policy to act boldly to minimize the economic pain from the pandemic"
- **Fundamental Outlook:** We remain positive over the outlook of gold fundamentally from the longer-term perspective. In the near term, we find difficult for gold to move above \$1800 on Comex.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold - Comex	June	1695	1715	1725	1760	1775	1800
Silver - Comex	July	17.20	17.45	17.70	18.30	18.45	18.70
Gold - MCX	June	46550	46800	46970	47150	47320	47470
Silver - MCX	July	47700	48200	48600	49100	49500	50000



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
99.37	-0.29	-0.29

Bond Yield

10 YR Bonds	LTP	Change
United States	0.6882	-0.0375
Europe	-0.4650	0.0030
Japan	0.0060	0.0130
India	5.7750	0.0010

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.7573	0.0411
South Korea Won	1225.25	-7.1500
Russia Ruble	72.5076	-0.1706
Chinese Yuan	7.099	-0.0106
Vietnam Dong	23311	-29
Mexican Peso	23.6311	-0.1255

NSE Currency Market Watch

Currency	LTP	Change
NDF	76.01	-0.06
USDINR	75.6675	-0.4
JPYINR	70.2475	-0.64
GBPINR	92.65	0.365
EURINR	82.925	0.695
USDJPY	107.7	0.4
GBPUSD	1.2246	0.0113
EURUSD	1.0958	0.0144

Market Summary and News

- Rupee gained against dollar concerning global lockdown easing and with the positive results coming in from Moderna for the Phase I trial of Covid-19 which boosted the investor's confidence leading the dollar index to crash from the highs of 100.56 towards 99.42. Fed Chairman Powell stated that the recovery in the US economy can be expected to pick up from the second half of the financial year. All in all the factors indicating the pullout from the safe haven greenback and towards riskier assets reflected in the domestic market as well.
- Pound, as well as Euro, also gained on the back of a weak dollar. The pound has recovered from the lows of April not only with the falling dollar but also with unemployment numbers that came in where it declined to 3.9% as compared to March number of 4%. Employment increase by 211000 in the first quarter of the year against the moderate expectation of 50000.
- South Korea is currently witnessing FII inflows of around \$221.36 million leading the South Korean index KOSPI in green along with the strengthening of the currency of 0.1% against the dollar in the offshore market. In the money & debt market of South Korea, the 3-year Treasury bond yield fell to 112.01 whereas the benchmark 10-year bond yield rose by 1.9basis point to 1.411%. On the other hand, another emerging market currency, Chinese Yuan also experienced gains of 118 bps, thus placing it at 7.0912 against the dollar.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	75.2500	75.5000	75.6500	75.9500	76.1000	76.2500



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	46802
High	47181
Low	46481
Close	47050
Value Change	395
% Change	0.85
Spread Near-Next	253
Volume (Lots)	12209
Open Interest	11067
Change in OI(%)	-7.04%

Gold Outlook For The Day

Comex Gold has traded in a range after a long upward rally it seems the commodity has strong resistance around 1760/65 zone. We expect the commodity to trade as a sell on rise around \$1760 for target \$1740/30 for the day. Positive crossover in 9/21 the prices can be supportive at lower levels around \$1730/35 Zone. Positive stochastic and RSI above 65 crossovers will be positive for prices but capped around \$1760/65 zone.

SELL GOLD JUNE (MCX) AT 47150 SL 47350 TARGET 46800.

Silver Market Update



Market View

Open	47799
High	49000
Low	47340
Close	48821
Value Change	1123
% Change	2.35
Spread Near-Next	543
Volume (Lots)	27581
Open Interest	8090
Change in OI(%)	9.63%

Silver Outlook For The Day

Comex Silver will be capped around \$18.20/30 today. Prices are likely to halt around \$18.20/30 levels and reverse to \$17.70-\$17.50. We are expecting the commodity to witness profit taking after a strong rally. We believed that the prices are likely to correct till \$17.7-17.5 zone. Any upside around 18.29/30 should be used as a selling opportunity for the target of \$17.70/17.50. Negative crossover in 9/21 MA can keep the commodity capped around 18.20/30. Try to sell on rise around \$18.20/30 for target \$17.70/17.50.

BUY SILVER JULY (MCX) AT 48600 SL 48150 TARGET 49500.



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	75.8275
High	75.86
Low	75.6075
Close	75.6675
Value Change	-0.3975
% Change	-0.52
Spread Near-Next	0.2775
Volume	1765399
Open Interest	1785815
Change in OI(%)	-1.10%

USDINR Outlook For The Day

USDINR had a gap down and witnessed selling pressure leading the pair to closed at day's low at 75.67 with a loss of 0.52 %. On the daily chart, the pair has formed a bearish candle and has closed with lower High-low compare to the previous session indicating weakness in the pair. The pair has closed in the lower top and lower bottom formation on the daily chart. USDINR is trading below its short term (09 SMA) and medium-term (21 SMA) moving averages while maintaining a close resistance to the short term moving average and holding support of the long term moving average (50 SMA) According to the chart pattern, if USDINR gives a breakdown and continues to trade below 75.6 level, the pair will witness selling which can lead the price momentum towards 75.40 - 75.20 levels, with the crucial resistance for the day, placed at 75.75. The daily strength indicator RSI and momentum oscillator Stochastic have both turned positive from the oversold zone and are above their respective reference lines indicating positive bias.

Buy USDINR above 75.70 for the target of 75.85 - 76 with a stoploss of 75.50

Key Market Levels for the Day						
	S3	S2	S1	R1	R2	R3
USDINR May	75.0000	75.2000	75.5000	75.8500	76.1000	76.2500



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