



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 23rd February 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	46546	46649
Gold	995	46360	46462
Gold	916	42636	42730
Gold	750	34910	34987
Gold	585	27229	27290
Silver	999	69342	69370

* Rates are exclusive of GST as of 22nd February 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
22 nd February 2021	46649	69370
19 th February 2021	46101	68414
18 th February 2021	46439	68700
17 th February 2021	46644	68428

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	April	1808.40	31.00	1.74
Silver(\$/oz)	March	28.13	0.84	3.07

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	29 th March 2021	1807.9
Gold Quanto	24 th March 2021	46921
Silver (\$/oz)	25 th February 2021	28.23

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,115.40	-12.24
iShares Silver	19,029.49	-213.77

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1798.80
Gold London PM Fix(\$/oz)	1807.45
Silver London Fix(\$/oz)	27.45

Weekly CFTC Positions

	Long	Short	Net
Gold	1,40,896.00	57,315.00	83581.00
Silver	64,845.00	23,855.00	40,990.00

Gold Ratio

Gold Silver Ratio	64.28
Gold Crude Ratio	29.31

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
23 rd February 7:30PM	United States	HPI m/m	1.0%	1.0%	Low
23 rd February 7:30PM	United States	S&P/CS Composite-20 HPI y/y	9.9%	9.1%	Low
23 rd February 8:30PM	United States	Fed Chair Powell Testifies	-	-	High
23 rd February 8:30PM	United States	CB Consumer Confidence	90.2	89.3	Medium
23 rd February 8:30PM	United States	Richmond Manufacturing Index	16	14	Low

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14770.67	248.68	1.68%



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold extended a rebound from a seven-month low as declines in equities and bets on rising inflation boosted demand for the precious metal. Prices headed for a second straight gain, helped by an ebbing dollar and prospects for increasing consumer prices amid massive economic stimulus. Bullion is often used as a hedge against inflation. Traders awaited comments this week from Federal Reserve Chair Jerome Powell for further monetary-policy guidance. Gold slipped 2.2% last week as a rally in U.S. Treasury yields and signs that the recovery from the Covid-19 pandemic is well under way hurt the haven's allure. The metal tends to decline as yields rise because it doesn't offer interest.
- The International Monetary Fund is weighing in on the debate over U.S. President Joe Biden's \$1.9 trillion stimulus proposal, saying that it sees only limited inflation risk, a rebuttal to some critics who worry about the American economy overheating. The past four decades of experience suggest that any surge in U.S. price pressures is unlikely to push inflation persistently above the Federal Reserve's 2% inflation target, IMF chief economist Gita Gopinath wrote in a blog on Friday. She noted relative stability in inflation from 2009 to 2019 even as wages rose amid a sharp drop in unemployment, and said that the headline U.S. jobless rate, now 6.3%, understates gaps in employment. The fund estimates that Biden's proposed package, equivalent to 9% of gross domestic product, would increase U.S. GDP by a cumulative 5% to 6% over three years, with the Fed's inflation measure quickening to around 2.25% in 2022.
- Federal Reserve Chair Jerome Powell can expect pressure to support the stimulus plan of Democratic lawmakers when they host him this week on Capitol Hill for the first time since regaining control of Congress. In testimony before the Senate Banking Committee on Tuesday and the House Financial Services panel the following day, Powell will probably play down the risk of inflation despite the size of President Joe Biden's \$1.9 trillion coronavirus relief proposal.
- European Central Bank President Christine Lagarde said her institution is "closely monitoring" the market for government bonds, in a sign that she might act to prevent rising yields undermining the economic recovery from the pandemic. Yields are on the increase worldwide as investors bet that vaccinations will soon enable countries to end coronavirus restrictions, potentially unleashing a burst of consumer spending -- also fueled by fiscal stimulus -- that could boost inflation. The ECB has pledged to keep financing conditions favorable until the crisis is past.

Fundamental Outlook: Gold and silver prices are steady on international bourses, we expect precious metals prices on Indian bourses to trade range-bound to higher for the day. We recommend buy on dips in intra-day as investor's awaited testimony from Federal Reserve Chair Jerome Powell, and weighed the prospect of a large U.S. stimulus package moving closer to approval.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	February	1720	1740	1760	1800	1825	1855
Silver – COMEX	March	26.35	26.50	26.70	27.65	27.90	28.30
Gold – MCX	February	46300	46700	46950	47100	47350	47550
Silver - MCX	March	69300	70000	70800	71700	72400	73200



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
90.01	-0.35	-0.39

Bond Yield

10 YR Bonds	LTP	Change
United States	1.3653	0.0289
Europe	-0.3400	-0.0330
Japan	0.1250	0.0160
India	6.2020	0.0630

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.46	0.0723
South Korea Won	1110.2	4.3500
Russia Ruble	74.3075	0.1833
Chinese Yuan	6.4648	0.0071
Vietnam Dong	23015	0
Mexican Peso	20.732	0.3032

NSE Currency Market Watch

Currency	LTP	Change
NDF	72.71	-0.03
USDINR	72.4675	-0.1625
JPYINR	68.635	-0.12
GBPINR	101.63	0.455
EURINR	87.9375	0.24
USDJPY	105.6	-0.08
GBPUSD	1.4031	0.0101
EURUSD	1.2135	0.0061

Market Summary and News

- The Reserve Bank of India's February policy minutes confirmed the view that the central bank's accommodative policy is being delivered through liquidity support to tamp long-term yields at the current juncture rather than via policy rate cuts. The minutes suggested further rate cuts are unlikely, as core inflation remains elevated with multiple upside risks, especially from rising domestic fuel prices. At its Feb. 5 review, the Monetary Policy Committee voted unanimously to hold the repo rate at 4% and maintain its accommodative forward guidance into early fiscal 2022 -- in line with the consensus estimate. The RBI delivered a dovish policy stance through liquidity commitments to cap long-term yields instead of lowering the policy repo rate. With an expansionary budget promising a speedier recovery, we think the RBI is shifting its policy priority back to its primary objective of inflation targeting over its secondary growth objective.
- The greenback declined as Treasury yields retreated from the highest level in a year, and traders look to Federal Reserve Chair Jerome Powell's testimony Tuesday to gauge the outlook for borrowing costs. The Australian and New Zealand dollars advanced to the highest since 2018 as a key gauge of commodities surged and the reflation theme lured investors. The Bloomberg Dollar Spot Index -0.1% after climbing as much as 0.3% earlier. U.S. 10-year yields hit session lows in NY mid-morning trading after touching 1.3925%, highest since February 2020; The 5s30s yield curve also flattened after earlier steepening to the widest in five-years
- Treasury Secretary Janet Yellen signaled the Biden administration supports research into the viability of a digital dollar, a shift from the lack of enthusiasm shown for the concept under her predecessor, Steven Mnuchin. "It makes sense for central banks to be looking at" issuing sovereign digital currencies, Yellen said at a virtual conference on Monday hosted by the New York Times. She said a digital version of the dollar could help address hurdles to financial inclusion in the U.S. among low-income households. "Too many Americans don't have access to easy payments systems and banking accounts, and I think this is something that a digital dollar, a central bank digital currency, could help with," she said. "It could result in faster, safer and cheaper payments, which I think are important goals." A number of central banks, including the U.S. Federal Reserve, have been conducting research into how digital versions of their own currency would work. Officials generally see both opportunity and risks and many central banks have moved slowly to embrace the idea, while China has proceeded with pilot-program tests of a digital yuan.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	72.0000	72.2000	72.3500	72.6000	72.7500	72.9000



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	46335
High	46966
Low	46238
Close	46901
Value Change	704
% Change	1.52
Spread Near-Next	177
Volume (Lots)	12748
Open Interest	12798
Change in OI (%)	-5.02%

Gold - Outlook for the Day

Gold prices has been under pressure yesterday as we seen a sharp fall from 1820-1760 levels. It seems that the prices are likely to resist at higher levels around 1820-30 zone. At the same time the immediate support is 1760-70 where the commodity can take halt and bounce try to trade between 1760-1820 for the day.

BUY GOLD APRIL (MCX) AT 46700 SL 46300 TARGET 47100/47350

Silver Market Update



Market View

Open	69337
High	70500
Low	68981
Close	70432
Value Change	1420
% Change	2.06
Spread Near-Next	0
Volume (Lots)	19345
Open Interest	11645
Change in OI (%)	2.22%

Silver - Outlook for the Day

Similarly Silver too witnessed a crash in the prices and finally closed lower by more than 1%. For the day we are recommending to trade between 27.50-26.70 zone. After a sharp fall it seems that the commodity can take a pullback till 26.50-60 should be used as selling opportunity for the target of 26.70.

BUY SILVER MARCH (MCX) AT 70800 SL 70000 TARGET 72000/72400



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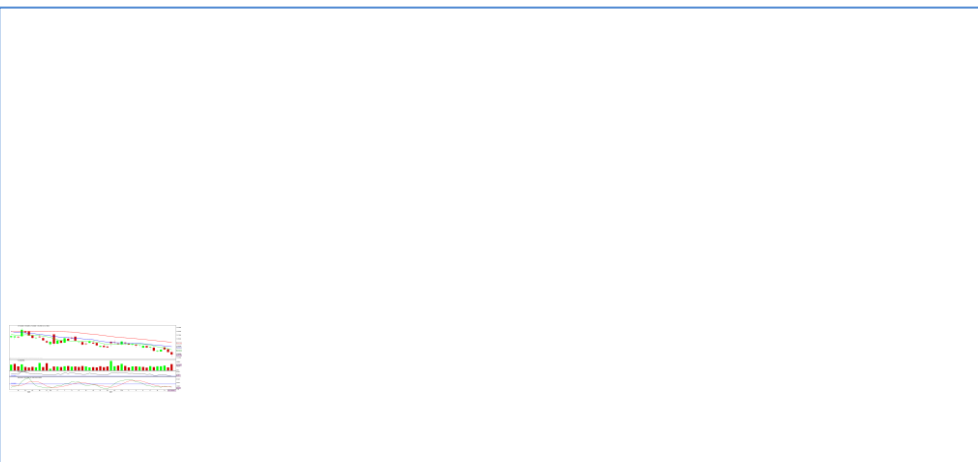
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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	72.62
High	72.625
Low	72.32
Close	72.4675
Value Change	-0.1625
% Change	-0.22
Spread Near-Next	0
Volume	2643854
Open Interest	2832251
Change in OI (%)	2.81%

USDINRR - Outlook for the Day

USDINR continued with the weak open at 72.62 and strong bearish momentum marking the day's low at 72.32 with closure in red at 72.47. On the daily chart, the pair has formed a long red candle with closure in lower lows and highs indicating the return of bearish sentiment in the pair. USDINR has given closure below the short term moving average and has continued to show resistance at the medium and long term moving average. USDINR if opens below 72.48, it will continue with the bearish momentum towards 72.30 – 72.20 and one can go short. However, a move above 72.52 will lead the pair to test the highs of 72.60 – 72.85. The daily strength indicator RSI and momentum oscillator both are still below the reference line indicating weakness in the pair

Buy USDINR above 72.54 for the target of 72.70 – 72.85 with stoploss at 72.30

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR February	72.0000	72.1500	72.3000	72.6500	72.8000	72.9500



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Nirmal Bang Securities – Commodity Research Team

Name	Designation	E-mail
Kunal Shah	Head of Research	kunal.shah@nirmalbang.com
Devidas Rajadhikary	AVP Commodity Research	devidas.rajadhikary@nirmalbang.com
Harshal Mehta	AVP Commodity Research	harshal.mehta@nirmalbang.com
Ravi D'souza	Sr. Research Analyst	ravi.dsouza@nirmalbang.com
Smit Bhayani	Research Associate	smit.bhayani@nirmalbang.com
Riya Singh	Currency Research Analyst	riya.singh@nirmalbang.com

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Address: Nirmal Bang Securities Pvt. Ltd., B2, 301 / 302, 3rd Floor, Marathon Innova, Opp. Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai - 400 013, India