



# India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 25<sup>th</sup> September 2020

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	49810	49822
Gold	995	49611	49623
Gold	916	45626	45637
Gold	750	37358	37367
Gold	585	29139	29146
Silver	999	56250	56471

\* Rates are exclusive of GST as of 24th September 2020  
Gold in Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	Gold*	Silver*
24 <sup>th</sup> September 2020	49822	56471
23 <sup>rd</sup> September 2020	50327	58908
22 <sup>nd</sup> September 2020	50683	59959
21 <sup>st</sup> September 2020	51341	64141

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

### COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	December	1876.90	8.50	0.45
Silver(\$/oz)	December	23.20	0.09	0.39

### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	28 September 2020	1861.5
Gold Quanto	23 September 2020	49924
Silver (\$/oz)	25 November 2020	23.15

### ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,267.14	0.00
iShares Silver	16,956.42	-257.61

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1850.75
Gold London PM Fix(\$/oz)	1861.75
Silver London Fix(\$/oz)	22.22

### Weekly CFTC Positions

	Long	Short	Net
Gold	2,06,780.00	41,529.00	1,65,251.00
Silver	63,338.00	24,051.00	39,287.00

### Gold Ratio

Gold Silver Ratio	80.91
Gold Crude Ratio	46.56

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
25 <sup>th</sup> September 6:00PM	United States	Core Durable Goods Orders m/m	1.0%	2.6%	Medium
25 <sup>th</sup> September 6:00PM	United States	Durable Goods Orders m/m	1.1%	11.4%	Medium
-	-	-	-	-	-

### MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	15080.13	159.98	1.06%



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### Nirmal Bang Securities - Daily Bullion News and Summary

- Gold rebounded from a two-month low after the dollar weakened and the metal approached a technical support level. Spot bullion rose as much as 0.5% to \$1,873.32 an ounce as the Bloomberg Dollar Spot Index declined from its highest level since July. The metal headed for its first gain in four days. In the near term, traders will keep a close eye on how markets interpret remarks from Federal Reserve Chairman Jerome Powell, who testified before the U.S. Congress this week. Bullion slid to the lowest since July earlier Thursday as the dollar extended gains and hopes for further U.S. fiscal stimulus faded.
- China's August exports of gold to Hong Kong were 6,297.9 kilograms, according to data from city's Census and Statistics Department obtained by email. Excluding gold coins and gold scrap, China's imports were 6,127 kilograms and exports were 4,943 kilograms. Net imports by mainland China from Hong Kong were 612.5 kilograms, according to Bloomberg calculations.
- Treasury Secretary Steven Mnuchin and House Speaker Nancy Pelosi raised the prospect of resuming negotiations on another economic stimulus package without giving any indication that they've moved closer to a compromise needed for a breakthrough. Mnuchin said during a Senate Banking Committee hearing on Thursday that a targeted pandemic relief package is "still needed." "If the Democrats are willing to sit down, I'm willing to sit down anytime for bipartisan legislation. Let's pass something quickly," Mnuchin said.
- Senator Elizabeth Warren on Thursday pressed Federal Reserve Chair Jerome Powell to use a broader range of tools to lessen racial economic disparities, in a potential preview of the pressures that could hit the central bank if Joe Biden becomes president. Powell pointed to the central bank's new policy framework, which emphasizes an inclusive goal of maximum employment and said policy makers have been "outspoken on our commitment to diversity and racial justice."

**Fundamental Outlook:** We might see some pull-back in the precious metals prices as dollar index may get softened a little during today's session. As the market will closely monitor how the whole market will interpret the remark of Fed Chair J. Powell and also the talks on stimulus in the U.S. by both the parties will move ahead. We also continue to maintain our bullish view in gold and silver in medium to longer term keeping the fundamentals in mind.

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1790	1810	1840	1880	1900	1930
Silver – COMEX	December	22.00	22.40	22.70	23.40	23.65	23.90
Gold – MCX	October	49200	49450	49700	50050	50300	50700
Silver - MCX	September	57500	58350	59000	59700	60500	61300



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### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
94.35	-0.04	-0.04

#### Bond Yield

10 YR Bonds	LTP	Change
United States	0.6659	-0.0065
Europe	-0.5020	0.0040
Japan	0.0110	0.0030
India	5.9940	0.0040

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5102	-0.0862
South Korea Won	1172.75	8.4000
Russia Ruble	77.1334	0.0651
Chinese Yuan	6.8287	0.0196
Vietnam Dong	23175	-1
Mexican Peso	22.1528	-0.2452

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	73.91	0.06
USDINR	73.8825	0.365
JPYINR	70.0375	0.045
GBPINR	94.195	0.6125
EURINR	86.0625	-0.045
USDJPY	105.43	0.47
GBPUSD	1.2748	0.0017
EURUSD	1.1654	-0.0057

#### Market Summary and News

- The U.S. dollar trimmed an advanced to a two-month high early yesterday as risk markets pare earlier losses though remain volatile, while emerging markets remain weak and political risk high. The Dollar Spot Index is up 0.1%; earlier gained 0.3% to a two-month high as greenback rises for a fifth consecutive session, the longest such run since March while the demand centers on a shift in real money away from dollar shorts while hedge funds go long-volatility across tenors as gamma/ The dollar has climbed against all its Group-of-10 counterparts with the pound and yen most resilient. Dollar Rallies as Traders See Market Turmoil Only Getting Worse
- The prospect of the most contentious U.S. election in history may be driving flows back to the dollar, not away from it. That could be because the market sees the aftermath of the vote coinciding with a pick-up of Covid-19 cases globally. President Donald Trump on Wednesday predicted that the U.S. Supreme Court will decide the outcome of the vote. Investors are trying to protect profits on any short dollar positions that are there. However, some pain could lie ahead for U.S. dollar shorts. The currency has seen support from investors unwinding short positions, helping it move away from recent lows along with some market participants who are also buying new exposure to the greenback as the risk of new lockdowns globally grows. The dollar gained as a haven asset as U.S. equities fell amid warnings from Federal Reserve officials about the need for more economic stimulus.
- India's central bank rejected all bids at a keenly watched bond-purchase auction yesterday, which is being seen as another sign that authorities want to keep yields in a tight range. This is the first time this year the Reserve Bank of India has turned down the entire lot of paper at a so-called open-market operation. It was scheduled to buy 100 billion rupees (\$1.35 billion) of debt maturing between 2026 and 2031, and received bids worth 664.7 billion rupees. It didn't offer a reason for the decision but might have done so as the central bank may not have been happy with the yield levels the market offered most probably something below 6%.
- The move to not buy any bonds follows the RBI's decisions since mid-August to reject bids at three bond sales. That's triggered speculation the RBI may now announce more steps to ensure yields stay steady. To support the bond market, the RBI announced Operation Twists -- simultaneous purchase and sale auctions -- worth 100 billion rupees on Oct. 1. The open-market purchase was announced amid demands that the RBI should start bond buys to support the unprecedented debt supply of \$163 billion this year, which many expect may be further expanded to aid an economy set for the worst contraction in four decades.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	72.9000	73.2000	73.4000	73.8500	74.0000	74.1500



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### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

Open	49400
High	50050
Low	49248
Close	49904
Value Change	396
% Change	0.8
Spread Near-Next	47
Volume (Lots)	15555
Open Interest	4443
Change in OI (%)	-73.49%

#### Gold - Outlook for the Day

Gold prices are likely to trade positive for the day as long as holding above \$1830 seems to be more positive for the prices can test \$1880-90. Positive crossover in 9/21 MA goes supportive for the decision to buy around 1850-45 for target 1880-90.  
**BUY GOLD OCT (MCX) AT 49700 SL 49370 TARGET 50300/50500.**

#### Silver Market Update



#### Market View

Open	57900
High	59847
Low	56020
Close	59629
Value Change	1141
% Change	1.95
Spread Near-Next	1631
Volume (Lots)	42510
Open Interest	15140
Change in OI(%)	-1.98%

#### Silver - Outlook for the Day

Comex silver is likely to trade ranged between 22.40-23.60 Positive 9/21 MA shows strength momentum buy silver on dips \$22.40-50 for target 23.40-60.  
**BUY SILVER DEC (MCX) AT 59000 SL 58000 TARGET 60300/61000.**



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### Nirmal Bang Securities - Currency Technical Market Update

#### USDINR Market Update



Market View	
Open	73.55
High	73.6725
Low	73.475
Close	73.5175
Value Change	0.02
% Change	0.03
Spread Near-Next	0.22
Volume	1749979
Open Interest	1173300
Change in OI (%)	-10.00%

#### USDINRR - Outlook for the Day

USDINR had a gap up at 73.71 and continued to trade in green marking the highs at 73.98 and giving closure at 73.8. On the daily chart, the pair has formed a green candle and has closed in higher highs and lows after being in consolidation phase for eleven continuous sessions. USDINR has given closure above the short term moving average and long term moving averages while holding resistance at medium term moving averages. USDINR if opens on a positive note or trades above 73.95 and maintains the same as support, it will move towards 74.10 – 74.30 on the higher side. However, a breach of 73.78 will lead the pair towards 73.60 – 73.40 on the lower side. The daily strength indicator RSI from the highs and momentum oscillator Stochastic are above the reference line representing positive bias in the pair.

**Buy USDINR above 73.95 for the target of 74.10 – 74.30 with stoploss at 73.80**

Key Market Levels for the Day	S3	S2	S1	R1	R2	R3
USDINR September	73.0000	73.2000	73.4000	73.6500	73.8500	74.0000



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