



# India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 26<sup>th</sup> May 2020

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	46996	47100
Gold	995	46778	46911
Gold	916	43048	43144
Gold	750	35247	35325
Gold	585	27493	27554
Silver	999	46800	47045

\* Rates are exclusive of GST as of 22<sup>nd</sup> May 2020  
Gold in Rs/10 Gm & Silver in Rs/Kg

### Gold & Silver 999 Watch

Date	Gold*	Silver*
22 <sup>nd</sup> May 2020	47100	47045
21 <sup>st</sup> May 2020	46888	47300
20 <sup>th</sup> May 2020	47260	48120
19 <sup>th</sup> May 2020	46829	46800

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

### Comex Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Aug	1753.50	16.60	0.96
Silver(\$/oz)	July	17.69	0.33	1.89

### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	27 May 2020	1729.5
Gold Quanto	28May2020	46993
Silver (\$/oz)	28 Apr2020	17.63

### ETF Holdings As On Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,116.71	4.39
iShares Silver	14,177.52	-57.98

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1732.80
Gold London PM Fix(\$/oz)	1724.90
Silver London Fix(\$/oz)	17.00

### Weekly CFTC Positions

	Long	Short	Net
Gold	1,97,978.00	24521	1,73,277.00
Silver	37177	16060	21177

### Gold Ratio

Gold Silver Ratio	99.11
Gold Crude Ratio	52.74

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
26 <sup>th</sup> May 7:30 PM	United States	CB Consumer Confidence	87.1	86.9	Medium
26 <sup>th</sup> May 7:30 PM	Europe	New Home Sales	492K	627K	Low



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

#### Market Summary and News

- Gold prices were firm on Monday as fresh tensions over Hong Kong limited the metal's fall, with China and U.S trade war likely to intensify investment demand remained firm in bullions.
- Exchange-traded funds added 235,857 troy ounces of gold to their holdings in the last trading session, bringing this year's net purchases to 16.6 million ounces, as per data compiled by Bloomberg. This was the 21st straight day of growth. The purchases were equivalent to \$409.1 million at the previous spot price. Total gold held by ETFs rose 20 percent this year to 99.5 million ounces, the highest level since at least May 27, 2019.
- ETFs also added 9.03 million troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 120.7 million ounces. This was the fifth straight day of growth.
- Money managers have increased their bullish gold bets by 12,304 net-long positions to 173,277, weekly CFTC data on futures and options show. The net-long position was the most bullish in three weeks. Long-only positions rose 16,213 lots to 197,798 in the week ending May 19. The long-only total was the highest in five weeks. Short-only positions rose 3,909 lots to 24,521. The short-only total was the highest in 11 weeks.
- One of the European Central Bank key policymakers signalled that the institution is very likely to boost its emergency bond-buying program to fight the coronavirus pandemic. With inflation low, there is room to innovate and act "rapidly and powerfully," Bank of France Governor Francois Villeroy de Galhau told a conference in Paris.
- China's April exports of gold to Hong Kong were 17,362 kilograms, according to data from the city's Census and Statistics Department obtained by email. Excluding gold coins and gold scrap, China's imports were 4,213 kilograms and exports were 14,513 kilograms. Net exports by mainland China from Hong Kong were 12,758 kilograms, according to Bloomberg calculations.
- **Fundamental Outlook:** The long term outlook on bullions continues to remain optimistic but in near term upside will be capped to due to lockdown will be lifted up in many countries.

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold - Comex	June	1688	1700	1710	1735	1760	1775
Silver - Comex	July	16.20	16.55	16.80	17.40	17.75	18.35
Gold - MCX	June	46650	46800	46950	47100	47300	47550
Silver - MCX	July	47100	47500	48000	48350	48700	49150



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### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
99.69	-0.18	-0.18

#### Bond Yield

10 YR Bonds	LTP	Change
United States	0.6591	-0.1300
Europe	-0.4960	-0.0070
Japan	0.0020	0.0020
India	5.7530	-0.0240

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4452	-0.0869
South Korea Won	1244.13	7.1300
Russia Ruble	71.688	0.0644
Chinese Yuan	7.1368	0.0004
Vietnam Dong	23301	38
Mexican Peso	22.543	-0.1894

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	76.14	-0.06
USDINR	75.8975	0.3725
JPYINR	70.62	0.525
GBPINR	92.5	0.13
EURINR	82.77	-0.2125
USDJPY	107.43	-0.37
GBPUSD	1.2187	-0.0042
EURUSD	1.091	-0.0079

#### Market Summary and News

- Indian Rupee gained against dollar in light of relaxation to the lockdown measures and reopen of the economies all around the globe. The reopening of modes of travel such as trains as well as the government announced the reopening of domestic airways though just on a very small scale from May 25 added on the positivity. The greenback lost its strength with dollar index dipping to 99.02 levels. The FII activities indicate a buy of around \$1.09 billion in the domestic equities and banks have sold off the dollar all factoring in the gain of rupee against the greenback.
- The forex market is focused on the Chinese yuan as China's National People's Congress gears up for the meet with respect to deciding on a further stimulus package to support the economy as it will provide an early clue as to where the manufacturing hub is headed for and also with respect to the further outlook of emerging market currencies and as it will also guide the confidence perspective of the investors in the developing economy.
- Euro took a halt on its gain which it had gained positivity on the back of EU receiving funds towards the pandemic relief fizzled out. The European market traded in the red zone after new data was released indicating the aftermath of the pandemic & depressed economic activity weighed on the gains of Euro thus steadying the same.
- Turkey's Central Bank has gone for another haircut of 50 basis points in the policy rates, in line with the expectation and now placing it at 8.25%. The Central Bank stated that the policy rate cut is modest and indicated that the worst is likely over for the economy. Turkey is currently witnessing a halt in the economic activities to contain the pandemic and statement from the central bank is indicating that the easing cycle might have come to an end at least temporarily.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.8500	75.1000	75.3500	75.7000	75.8500	76.1000



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### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

Open	46808
High	47050
Low	46650
Close	46973
Value Change	-83
% Change	-0.18
Spread Near-Next	98
Volume (Lots)	4157
Open Interest	7865
Change in OI(%)	-6.71%

#### Gold Outlook For The Day

Comex Gold has been trading ranged between \$1735/15. It is believed that the selling pressure will be emerged at higher levels around \$1740/45 zone. Negative crossover in 9/21 the prices can create selling pressure on higher levels too, it may test \$1706/1700.

**BUY GOLD JUNE (MCX) AT 46800 SL 46630 TARGET 47100/47300.**

#### Silver Market Update



#### Market View

Open	48171
High	48338
Low	47671
Close	48257
Value Change	-81
% Change	-0.17
Spread Near-Next	481
Volume (Lots)	10238
Open Interest	8802
Change in OI(%)	4.67%

#### Silver Outlook For The Day

Prices are capped at \$17.30/40, the commodity is likely to take support around \$16.80/70 zone we are expecting it to be trading weak if hits around \$17.30/40 zone. Negative crossover in 9/21 MA can keep the commodity capped around major resistance around 17.60/70. Try to sell on rise for targeting \$17.00 and \$16.80.

**BUY SILVER JULY (MCX) AT 48000 SL 47500 TARGET 48700.**



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## Nirmal Bang Securities - Currency Technical Market Update

### USDINR Market Update



#### Market View

Open	75.65
High	76.0225
Low	75.6125
Close	75.8975
Value Change	0.3725
% Change	0.49
Spread Near-Next	0.2425
Volume	2000587
Open Interest	1684075
Change in OI (%)	0.00%

#### USDINR Outlook For The Day

USDINR opened on a flat note and traded with positive bias in the initial half however breach of intraday support of 75.70 levels erased most of the earlier gain to close in red.. and closed at 75.53 with a loss of 0.25 %. On the daily chart, the pair has formed a bearish candle with a long upper shadow indicating profit booking at higher levels 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 75.50 level, the pair will witness selling which can lead the price momentum towards 75.35 - 75 levels, with the crucial resistance for the day, placed at 75.70. The strength indicator RSI and momentum oscillator Stochastic both have turned towards negative terrain and are below their respective reference lines indicating negative biases in the pair.

**Sell USDINR below 75.50 for the target of 75.35 - 75.10 with the stop loss of 75.70**

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR May	75.0000	75.2000	75.5000	75.7500	75.9500	76.1000



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