



# India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 30<sup>th</sup> October 2020

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	50710	50840
Gold	995	50507	50636
Gold	916	46450	46569
Gold	750	38033	38130
Gold	585	29665	29741
Silver	999	60087	59926

\* Rates are exclusive of GST as of 29<sup>th</sup> October 2020  
Gold in Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	Gold*	Silver*
29 <sup>th</sup> October 2020	50840	59926
28 <sup>th</sup> October 2020	50989	61430
27 <sup>th</sup> October 2020	51043	61991
26 <sup>th</sup> October 2020	51238	61706

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

### COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	December	1868.00	-11.20	-0.60
Silver(\$/oz)	December	23.36	0.00	0.00

### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	25 November 2020	1869.7
Gold Quanto	25 November 2020	50302
Silver (\$/oz)	25 November 2020	23.42

### ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,258.25	0.00
iShares Silver	17,411.69	-28.93

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1876.85
Gold London PM Fix(\$/oz)	1870.30
Silver London Fix(\$/oz)	23.02

### Weekly CFTC Positions

	Long	Short	Net
Gold	1,85,578.00	50,267.00	1,35,311.00
Silver	61,927.00	21,862.00	40,065.00

### Gold Ratio

Gold Silver Ratio	79.97
Gold Crude Ratio	51.65

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
30 <sup>th</sup> October 6:00PM	United States	Core PCE Price Index m/m	0.2%	0.3%	Medium
30 <sup>th</sup> October 6:00PM	United States	Personal Spending m/m	1.0%	1.0%	Medium
30 <sup>th</sup> October 7:15PM	United States	Chicago PMI	58.2	62.4	Medium
30 <sup>th</sup> October 7:30PM	United States	Revised UoM Consumer Sentiment	81.2	81.2	Medium

### MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	15397.99	-48.36	-0.31%



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

- Gold and silver fell to one-month lows as the coronavirus spike in Europe continued to boost haven demand for the dollar, while investors weighed signs the European Central Bank will increase stimulus this year. The Bloomberg Dollar Spot Index reached a three-week high. German Chancellor Angela Merkel said the country is in a “dramatic situation” amid strains on health-care services. With record numbers of new Covid-19 cases in Spain, Italy and the U.K., tough new restrictions in Europe are now threatening to pitch the region back into recession.
- Investors are holding off on adding much cash to gold exchange-traded funds after a record run amid signs the reflation trade is faltering. Gold ETFs are on track for their lowest monthly inflows since December 2019. Gold, a key reflation indicator, extended its decline and fell to a one-month low on Thursday. State Street’s SPDR Gold Shares (GLD), the biggest precious-metals ETF, is heading for its first monthly outflow this year. Gold funds had surged earlier this year as traders turned to the products during the pandemic-driven market turmoil, likely as a crisis hedge.
- European Central Bank President Christine Lagarde said there is “little doubt” that policy makers will agree on a new package of monetary stimulus in December as coronavirus infections and renewed lockdowns threaten a double- dip recession. The comment to reporters, after policy makers agreed to keep their stimulus settings unchanged for now, highlights how the resurgent disease has derailed the region’s upturn. “The euro-area economic recovery is losing momentum more rapidly than expected,” Lagarde said in a press briefing on Thursday. “We agreed that it was necessary to take action and therefore to recalibrate our instruments at our next Governing Council meeting.”
- Central banks became gold sellers for the first time since 2010 as some producing nations exploited near- record prices to soften the blow from the coronavirus pandemic. Net sales totaled 12.1 tons of bullion in the third quarter, compared with purchases of 141.9 tons a year earlier, according to a report by the World Gold Council. Selling was driven by Uzbekistan and Turkey, while Russia’s central bank posted its first quarterly sale in 13 years, the WGC said.
- Gold demand in India may see a “very sharp spike” next year as consumers adjust to high prices and re-enter the market after staying away in 2020, P.R. Somasundaram, managing director for India at the World Gold Council, said in an interview. Demand for gold in China could continue to improve as the country came out of Covid related lockdowns earlier and the economic recovery translates into greater consumer confidence, according to the World Gold Council.

**Fundamental Outlook:** Bullions headed for a third monthly drop, the longest run since 2019, as investors awaited next week’s presidential election amid the threat of rising coronavirus cases and lack of agreement on a U.S. stimulus plan. Uncertainty remains high before the pivotal Nov. 3 vote, lifting the dollar’s appeal as a haven asset over bullion. In intraday gold and silver prices are expected to trade higher for the day.

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1830	1845	1860	1880	1900	1920
Silver – COMEX	December	22.45	22.70	23.00	23.80	24.25	24.70
Gold – MCX	December	49900	50070	50300	50540	50700	50850
Silver - MCX	December	58500	59100	59800	60600	61400	62000



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### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
93.96	0.55	0.59

#### Bond Yield

10 YR Bonds	LTP	Change
United States	0.8230	0.0520
Europe	-0.6380	-0.0110
Japan	0.0320	0.0070
India	5.8830	0.0250

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.7816	0.0325
South Korea Won	1131.45	0.8500
Russia Ruble	78.8993	-0.3246
Chinese Yuan	6.715	-0.014
Vietnam Dong	23181	14
Mexican Peso	21.3615	0.0732

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	74.53	0
USDINR	74.605	0.53
JPYINR	71.635	0.5425
GBPINR	96.7675	0.6825
EURINR	87.415	0.435
USDJPY	104.1	-0.1
GBPUSD	1.2965	-0.0007
EURUSD	1.1721	-0.0019

#### Market Summary and News

- The U.S. is about to report the fastest quarterly growth on record after businesses reopened following pandemic shutdowns and consumers proved resilient. But the headline number, like the record contraction preceding it, obscures key parts of the outlook. Data due Thursday are forecast to show U.S. gross domestic product surged an annualized 32% in the third quarter, almost double the previous high. That figure will reflect activity switching back on across the country after Covid-19 fears and government stay-at-home orders ground the economy to a halt in April. The eye-popping number, though, fails to capture the fact that the pace of growth has moderated significantly since early in the recovery.
- Overall economic activity will likely remain below its pre-pandemic level for some time, even though some sectors such as retail sales and housing have made comebacks. In addition, the economy currently faces tough challenges including a fresh surge in new Covid-19 cases, rising long-term unemployment and a lack of additional government stimulus. The report comes out five days before Election Day. While it's unclear how much it will help President Donald Trump, especially since more than 69 million Americans have already voted, there's a good chance Trump and his surrogates will highlight the GDP number as evidence of the president's economic stewardship.
- Indian sovereign bonds fell as traders took profit ahead of the central bank's open market bond purchases on Thursday as rupee declines. RBI plans to buy 200b rupees (\$2.7b) of government bonds via open market operations on Thursday. India's GDP growth is expected to be negative or near zero for the financial year ending March, Finance Minister Nirmala Sitharaman said Tuesday.
- The dollar headed for the biggest gain in a month and the yen rose as investors sought havens amid rising coronavirus cases and shutdowns in Europe days before U.S. elections. The Dollar Spot Index advanced 0.5%, poised for the biggest daily advance since Sept. 23, as U.S. stocks fell the most since early September. The risk aversion is nothing new but a caution ahead of the US election, the failure to agree on fiscal relief which now gets punted to some indeterminate time after next Tuesday and renewed concerns that restrictions being imposed to combat the virus second wave in Europe mainly will slow growth.
- European Union and U.K. negotiators made progress this week toward resolving some of the biggest disagreements that have long bedeviled the Brexit talks, raising hopes that a deal could be reached by early November. The U.K. and EU have also moved closer to deciding essential aspects of how any accord will be enforced. While the differences between the two sides are still substantial -- particularly on the level playing field, enforcement and fishing -- the progress on the text is a sign they are a step closer to breaking the deadlock after seven months of negotiations. The pound pared its declines against the euro and the dollar, trading down 0.5% at \$1.2995 by 4:08 p.m. in London, as traders wait for concrete signs of progress.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	73.7000	73.8800	74.0500	74.3500	74.5000	74.6500



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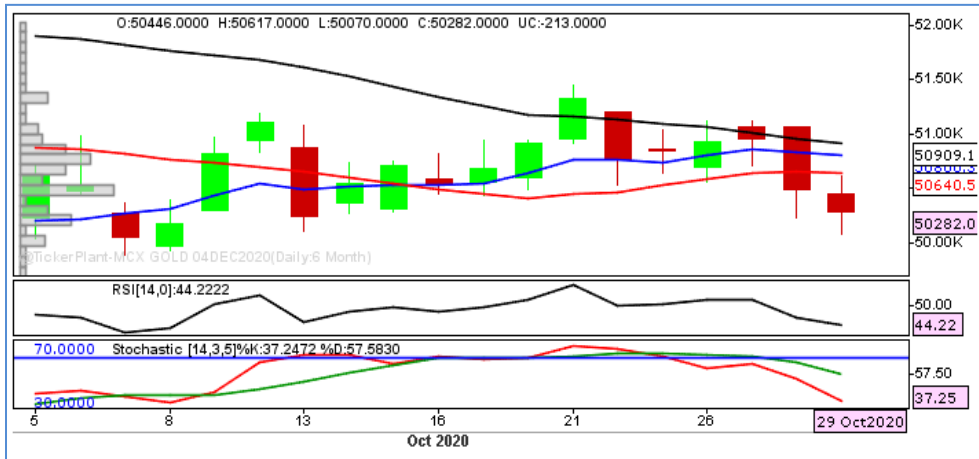
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### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

Open	50446
High	50617
Low	50070
Close	50282
Value Change	-213
% Change	-0.42
Spread Near-Next	82
Volume (Lots)	13327
Open Interest	13188
Change in OI (%)	-0.07%

#### Gold - Outlook for the Day

Gold prices are likely to trade positive for the day as long as holding above \$1850 seems to be more positive for the prices can test \$1900-1920. Positive crossover in 9/21 MA goes supportive for the decision to buy on dips around 1860-65 can test 1900-1920.  
**BUY GOLD DEC (MCX) AT 50300 SL 50070 TARGET 50650/50700.**

#### Silver Market Update



#### Market View

Open	60069
High	60735
Low	58381
Close	60172
Value Change	34
% Change	0.06
Spread Near-Next	1562
Volume (Lots)	37602
Open Interest	14143
Change in OI(%)	-1.03%

#### Silver - Outlook for the Day

Comex silver is likely to trade positive for target 24.20-24.70. Positive 9/21 MA shows strength momentum buy silver on dips \$23.20-30 for target 24.20-24.70.  
**BUY SILVER DEC (MCX) AT 59800 SL 59000 TARGET 60850/61400.**



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## Nirmal Bang Securities - Currency Technical Market Update

### USDINR Market Update



#### Market View

Open	73.87
High	74.0975
Low	73.8075
Close	74.075
Value Change	0.205
% Change	0.28
Spread Near-Next	0
Volume	1828810
Open Interest	1365778
Change in OI (%)	-1.01%

### USDINRR - Outlook for the Day

USDINR had a flat open at 73.87 followed by a bullish momentum towards 74.0975 with closure at 74.07. On the daily chart, the pair has formed a small green candle but has closed sideways. USDINR is trading above the short term moving and medium term moving averages while holding resistance at long term moving averages. USDINR if opens on a positive note or trades above 74.05, the bullish momentum will continue towards 74.20 – 74.35. However, an open below 73.98 will lead the pair to witness profit taking towards 73.85 – 73.70. The daily strength indicator RSI from the highs and momentum oscillator Stochastic are starting to turnaround from the positive zone indicating early signs of reversal.

**Buy USDINR above 74.05 with target of 74.20/74.35 with stoploss at 73.90**

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR November	73.4500	73.6000	73.7700	74.1000	74.2500	74.4000



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## Nirmal Bang Securities – Commodity Research Team

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

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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