



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 9th September 2020

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	51185	51075
Gold	995	50980	50870
Gold	916	46885	46785
Gold	750	38389	38306
Gold	585	29943	29879
Silver	999	65721	64825

* Rates are exclusive of GST as of 8th September 2020
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
8 th September 2020	51075	64825
7 th September 2020	51018	65017
4 th September 2020	51106	64437
3 rd September 2020	50927	64393

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	December	1943.20	8.90	0.46
Silver(\$/oz)	December	26.99	0.28	1.04

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	28 September 2020	1932
Gold Quanto	23 September 2020	51373
Silver (\$/oz)	25 November 2020	26.84

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,250.04	0.00
iShares Silver	17,454.32	-112.92

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1920.60
Gold London PM Fix(\$/oz)	1910.95
Silver London Fix(\$/oz)	26.68

Weekly CFTC Positions

	Long	Short	Net
Gold	1,89,256.00	38,235.00	1,51,021.00
Silver	61,996.00	24,283.00	37,713.00

Gold Ratio

Gold Silver Ratio	71.99
Gold Crude Ratio	52.86

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
9 th September 7:30PM	United States	JOLTS Job Openings	6.05M	5.59M	Low
9 th September 10:31PM	United States	10-y Bond Auction	-	0.68 2.4	Low

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	16012.42	80.96	0.51%



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold dropped as investors weighed a resurgence in the dollar with concerns over a potential delay in the development of a Covid-19 vaccine. AstraZeneca Plc said that it had paused research on its experimental coronavirus vaccine, viewed as one of the leading candidates to reach the market, after a person who was participating in a clinical trial became ill. Meanwhile, tensions between the U.S. and China continued to simmer. The Trump administration said it has banned imports from three companies in the Xinjiang region of China over Beijing's alleged repression of the Uighur Muslim minority group, and it plans to add curbs on six more firms.
- British Prime Minister Boris Johnson's hard-line negotiating tactics with the European Union are once again unsettling U.K. markets. Johnson has threatened to walk away from Brexit talks without a new trade deal, despite warnings that a hard split would cripple economic growth. Investors were also spooked by comments from the Bank of England's chief economist in support of ending the wage-support programs, and reports that the head of the government's legal department had quit.
- The Federal Reserve wants the banks it oversees to provide more information on what they're doing to promote racial and gender diversity, a senior central bank official said. "In the last two years, regulated entities slightly increased their submissions of assessments of their diversity policies and practices," Sheila Clark, program director of the Fed's Office of Diversity and Inclusion, said in congressional testimony published ahead of a hearing Tuesday.
- Exchange-traded funds added 28,665 troy ounces of gold to their holdings in the last trading session, bringing this year's net purchases to 26.5 million ounces, according to data compiled by Bloomberg. This was the ninth straight day of growth. ETFs cut 4.14 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 279.1 million ounces. This was the third straight day of declines.
- Zimbabwe 8-month gold deliveries slump 25% from year earlier. Deliveries through August decline to 13.3 tons from 17.8 tons in the previous corresponding period, due to impact of restrictions introduced in wake of coronavirus pandemic, Fidelity Printers and Refiners says. "We have had to work around the restrictions imposed by the Covid pandemic which have hampered most of our operations": General Manager Fradreck Kunaka. August output 1.27 tons vs 2.75 tons y/y.

Fundamental Outlook: The continued tension between the U.S. and China, and the substantial delay in the finding of the covid-19 vaccine by the year end or until the U.S. elections is strengthening the dollar and weakening the bullions and other commodities in dollar denominations. The precious metals prices are expected to remain under pressure until the dollar index is steady.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1880	1900	1915	1940	1958	1970
Silver – COMEX	December	25.45	25.70	26.00	26.80	27.20	27.60
Gold – MCX	October	50700	50900	51200	51400	51650	51850
Silver - MCX	September	66700	67300	68000	68500	69200	70200



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
93.45	0.73	0.78

Bond Yield

10 YR Bonds	LTP	Change
United States	0.6788	-0.0393
Europe	-0.4960	-0.0330
Japan	0.0400	-0.0070
India	6.0570	0.0630

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.3622	0.0606
South Korea Won	1186.45	-1.8000
Russia Ruble	76.2943	0.5331
Chinese Yuan	6.8464	0.0159
Vietnam Dong	23167	-9
Mexican Peso	21.7793	0.1734

NSE Currency Market Watch

Currency	LTP	Change
NDF	74.08	-0.07
USDINR	73.985	0.3725
JPYINR	69.635	0.3025
GBPINR	96.58	-0.2925
EURINR	87.3175	0.2575
USDJPY	106.22	0.13
GBPUSD	1.3054	-0.0105
EURUSD	1.1801	-0.0023

Market Summary and News

- India's rupee falls as tensions persist at the nation's border with China. Benchmark sovereign bond yields rise for a third day amid worries of higher borrowing ahead of the second half calendar due this month. China has accused India's army of entering Chinese territory and making threats to its troops Monday on the Himalayan border, in a new sign of friction days after the countries' defense ministers agreed to defuse tensions. If the situation along the border worsens, it can lead to panic selling and dollar/rupee can shoot up with knee-jerk reaction. Most USD/Asian forwards advance amid escalating U.S.-China tensions, as President Trump said he intends to sharply scale back the economic relationship with the Asian nation thus boosting the currency's haven appeal.
- President Donald Trump said he intends to curb the U.S. economic relationship with China and threatening to punish any American companies that create jobs overseas and to forbid those that do business in China from winning federal contracts. "We'll manufacture our critical manufacturing supplies in the United States, we'll create 'made in America' tax credits and bring our jobs back to the United States and we'll impose tariffs on companies that desert America to create jobs in China and other countries," Trump said at a White House news conference on Monday where he complained at length about his Democratic re-election opponent. "If they can't do it here, then let them pay a big tax to build it someplace else and send it into our country," he said of U.S. corporations. "We'll prohibit federal contracts from companies that outsource to China and we'll hold China accountable for allowing the virus to spread around the world."
- Trump has also recently entertained the idea of "decoupling" the U.S. economy from China, a dream of U.S. China hawks. Decoupling with U.S. would Cut China's Growth to 3.5%. "We're going to end our reliance on China because we can't rely on China and I don't want them building a military like they're building right now and they're using our money to build it." Despite Trump's comments, bilateral trade is one key area of U.S.-China relations that hasn't worsened recently, with both nations reaffirming their commitment to a phase-one trade deal that stopped tit-for-tat tariff increases. China's trade surplus with the U.S. in August was \$34.2 billion, the highest since November 2018.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	73.4000	73.6500	73.7700	74.1000	74.2500	74.4000



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	50800
High	51406
Low	50629
Close	51353
Value Change	288
% Change	0.56
Spread Near-Next	240
Volume (Lots)	14834
Open Interest	12763
Change in OI (%)	-4.47%

Gold - Outlook for the Day

Comex Gold is likely to trade weak for the day. it seems that the prices are likely to trade bet \$1900-1940. The rally if sustain below \$1950 sell on rise around \$1950-55 for the target of 1900-1910 for the day. Negative 9/21 MA shows that the weak momentum and recommend to sell on rise.

SELL GOLD OCT (MCX) AT 51400 SL 51700 TARGET 51100/50900.

Silver Market Update



Market View

Open	67799
High	68713
Low	66155
Close	68494
Value Change	223
% Change	0.33
Spread Near-Next	2208
Volume (Lots)	32906
Open Interest	15395
Change in OI(%)	0.50%

Silver - Outlook for the Day

In Comex Silver We are expecting prices to trade weak so recommend selling on rise around \$27-27.20. Negative 9/21 MA shows weak momentum sell silver on rise \$27-27.20 for target \$26.30-25.70.

SELL SILVER DEC (MCX) AT 69500 SL 70200 TARGETS 68000/67600.



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	73.24
High	73.6425
Low	73.1725
Close	73.6125
Value Change	0.31
% Change	0.42
Spread Near-Next	0.2075
Volume	1858125
Open Interest	1419157
Change in OI (%)	-3.89%

USDINRR - Outlook for the Day

USDINR had a positive open at 73.63 and continued the bullish momentum to mark the high at 74.06 while closing near the same at 73.98. On the daily chart, the pair has formed a green candle but has closed in higher highs indicative of trend reversal in the pair. USDINR has gave closure above the short term moving average while still trading below the medium and long term moving averages on the daily chart. USDINR if opens on a positive note or trades above 74 - 74.05, it will continue with the bullish momentum towards 74.25 - 74.30 on the higher side. However, a breach of 73.90 will lead the pair towards 73.75 - 73.60 on the lower side.

Buy USDINR above 74 for the target of 74.15/74.28 with stop loss at 73.85

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR September	73.5000	73.6500	73.8500	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	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