



India Bullion and Jewellers Association Ltd.

Since 1919

beyond

powered by

NIRMAL BANG
a relationship beyond broking



Daily Bullion Physical Market Report

Date: 14th October 2020

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	51034	51147
Gold	995	50830	50942
Gold	916	46747	46851
Gold	750	38276	38360
Gold	585	29855	29921
Silver	999	62628	62188

* Rates are exclusive of GST as of 13th October 2020
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
13 th October 2020	51147	62188
12 th October 2020	51156	62606
09 th October 2020	50878	61106
08 th October 2020	50369	60334

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	December	1894.60	-34.30	-1.78
Silver(\$/oz)	December	24.13	-1.14	-4.52

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	25 November 2020	1897
Gold Quanto	25 November 2020	50265
Silver (\$/oz)	25 November 2020	24.15

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,277.65	6.13
iShares Silver	17,527.43	144.69

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1920.80
Gold London PM Fix(\$/oz)	1891.30
Silver London Fix(\$/oz)	24.94

Weekly CFTC Positions

	Long	Short	Net
Gold	1,75,165.00	44,156.00	1,31,009.00
Silver	60,203.00	24,575.00	35,628.00

Gold Ratio

Gold Silver Ratio	78.52
Gold Crude Ratio	47.13

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
14 th October 6:00PM	United States	Core PPI m/m	0.2%	0.4%	Medium
14 th October 6:00PM	United States	PPI m/m	0.2%	0.4%	Medium

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	15713.26	-351.04	-2.23



India Bullion and Jewellers Association Ltd.

Since 1919

beyond

powered by

 **NIRMAL BANG**
a relationship beyond broking



Nirmal Bang Securities - Daily Bullion News and Summary

- Gold's rally can't seem to stay on track. The metal, which has posted two straight weekly gains, headed for a second straight daily loss on Tuesday as the dollar's advance sapped buying interest. Investors turned to the greenback as a haven after a setback in a Covid-19 vaccine trial and deadlocked talks on U.S. economic stimulus. Bullion, which surged 30% through the first eight months of 2020, lost momentum in September as the dollar gained. The resiliency of the U.S. currency has been on display again this week, frustrating expectations that election risks and Covid-hit economies would sustain demand for the metal as a haven.
- The International Monetary Fund warned that the world economy still faces an uneven recovery until the coronavirus is tamed even as it offered a less-dire view of this year's recession following massive stimulus from central banks and governments. The fund now forecasts world gross domestic product to shrink 4.4% this year, compared with the 5.2% drop seen in June, according to the latest World Economic Outlook released Tuesday. For 2021, the IMF sees growth of 5.2%, down from 5.4%. The report includes revisions to June's forecasts and other historical data to reflect updated country weightings.
- European Central Bank officials revealed differences in opinion Tuesday about the next steps the institution should take to support the euro-area economy and boost inflation. Dutch central banker Klaas Knot said the ECB should wait for more information about the state of the economy before it decides whether more stimulus is needed. Hours later, the governor of the Bank of Spain, Pablo Hernandez de Cos, said the region's economic outlook was "highly uncertain," and "there is no room for complacency."
- Exchange-traded funds added 33,300 troy ounces of gold to their holdings in the last trading session, bringing this year's net purchases to 28.2 million ounces, according to data compiled by Bloomberg. This was the fourth straight day of growth. ETFs cut 875,093 troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 280.8 million ounces.

Fundamental Outlook: The strengthening of the dollar index and the prospects for the fiscal stimulus getting dimmed on Tuesday has led to fall in the precious metals prices. For intra-day gold and silver prices could be under pressure.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1825	1850	1870	1910	1930	1965
Silver – COMEX	December	23.30	23.70	23.90	24.40	24.65	24.90
Gold – MCX	December	49800	50000	50150	50370	50550	50800
Silver - MCX	December	59000	59700	60500	60800	61400	62500



India Bullion and Jewellers Association Ltd.

Since 1919

beyond

powered by

NIRMAL BANG
a relationship beyond broking



Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
93.53	0.47	0.50

Bond Yield

10 YR Bonds	LTP	Change
United States	0.7272	-0.0465
Europe	-0.5570	-0.0120
Japan	0.0300	-0.0020
India	5.9040	0.0060

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5709	0.0382
South Korea Won	1147.1	0.1000
Russia Ruble	77.0417	-0.0883
Chinese Yuan	6.7466	0.0007
Vietnam Dong	23169	-10
Mexican Peso	21.3447	0.1414

NSE Currency Market Watch

Currency	LTP	Change
NDF	73.63	-0.01
USDINR	73.375	-0.035
JPYINR	69.5575	-0.05
GBPINR	95.63	0.075
EURINR	86.525	-0.0525
USDJPY	105.43	-0.06
GBPUSD	1.303	0.0018
EURUSD	1.1793	-

Market Summary and News

- The Fed has bought 16 different corporate bond ETFs, with purchases peaking in June at \$4.2 billion and so far this year, inflows to bond funds total \$170 billion, compared with \$154 billion in all of 2019. Of course, another sharp downturn could reopen a chasm between bond ETF prices and their underlying assets, and the Fed's eventual unwinding of its holdings might spur distress. But the central bank hasn't given indications about its exit timeline, so purchases for fixed-income funds remain strong. Investors anticipating the central bank's moves added \$28 billion to those products. Investors have been shoveling money into U.S. government and mortgage-backed bond ETFs in the past month, anticipating further choppiness from uncertainties over fiscal stimulus and the presidential election outcome. Other strategies for bond funds recently include shorting high-yield securities and hedging long positions.
- House Speaker Nancy Pelosi stated that President Donald Trump's latest stimulus proposal falls short of what's needed to shore up the economic recovery and battle the coronavirus. The letter, dated Tuesday, offered the clearest sign yet that Trump's newfound openness to a bigger coronavirus relief package, since his sudden withdrawal from talks a week ago, isn't sufficient to secure a deal. Pelosi and Treasury Secretary Steven Mnuchin negotiated over the weekend on the administration's new \$1.8 trillion proposal. No talks were announced Monday, and it's unclear when or whether they'll resume. With three weeks to go until Election Day, Trump sought in recent days to re-energize the stimulus talks, upping his offer from a \$1.6 trillion plan. But it's still short of the \$2.2 trillion bill from House Democrats, and the two sides remain far apart on several issues of policy, including how to deploy health care aid and apportion tax credits.
- The Bank of England is not yet ready to implement negative interest rates, Governor Andrew Bailey said on a webinar Monday. The central bank earlier announced that it is seeking information from U.K. financial institutions on their ability to implement sub-zero rates without damaging their business. That is an operational question and policy makers are not currently addressing whether to introduce them, Bailey said. "Given the shock we've had, there are good reasons to say we shouldn't rule them out and therefore they're in the toolbox. We haven't addressed the question of should we use them," he said. Speculation is that the officials will take borrowing costs below zero has grown in recent weeks as a resurgence of the coronavirus, rising unemployment and the potential for a messy Brexit reinforced downside risks to the U.K. economy. Policy makers have already expanded asset purchases and slashed rates to a record 0.1% since the virus hit the U.K. They are widely expected to increase the quantitative easing target again at their Nov. 5 meeting.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	72.7000	72.9000	73.1000	73.5000	73.6500	73.8500



India Bullion and Jewellers Association Ltd.

Since 1919

beyond

powered by



NIRMAL BANG
a relationship beyond broking



Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

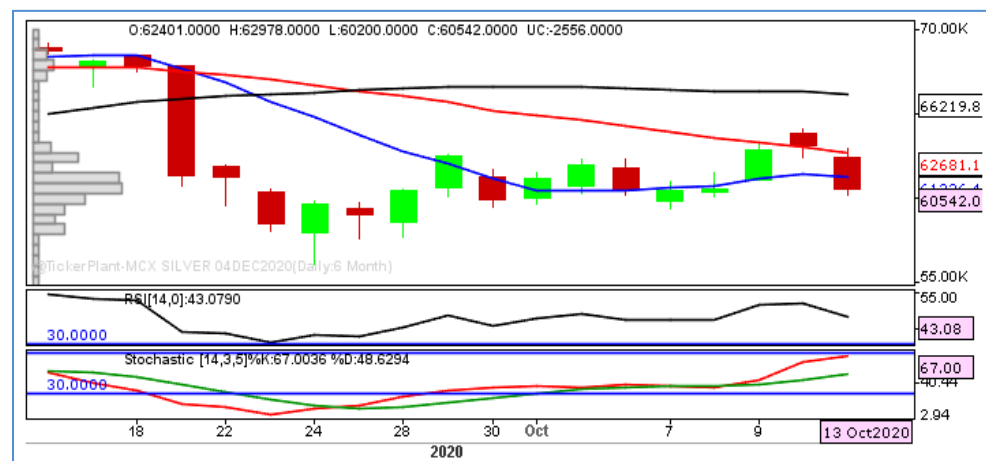
Open	50870
High	51078
Low	50110
Close	50245
Value Change	-862
% Change	-1.69
Spread Near-Next	82
Volume (Lots)	14099
Open Interest	14660
Change in OI (%)	-1.03%

Gold - Outlook for the Day

Comex Gold has seen a sharp downside and likely to continue the rally if sustain below \$1900. It seems that the prices are likely to trade weak for the day sell on rise around \$1900-20. For the target of 1850-1840 For the day. Negative 9/21 MA shows that the weak momentum and recommend to sell on rise around \$1900-20.

SELL GOLD DEC (MCX) AT 50550 SL 50800 TARGET 50150/50000.

Silver Market Update



Market View

Open	62401
High	62978
Low	60200
Close	60542
Value Change	-2556
% Change	-4.05
Spread Near-Next	1892
Volume (Lots)	31791
Open Interest	15416
Change in OI(%)	-3.23%

Silver - Outlook for the Day

In Comex Silver We are expecting prices to correct till \$23.50-23.30 for the day. It seems that the commodity can take upward momentum till 23.60-70 should be used selling opportunity for the target of 23.50-23.30. Negative 9/21 MA shows weak momentum sell silver on rise 24.30-40 for target \$23.50.

SELL SILVER DEC (MCX) AT 61400 SL 62550 TARGET 60000/59200.



India Bullion and Jewellers Association Ltd.

Since 1919

beyond

powered by



NIRMAL BANG
a relationship beyond broking



Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	73.21
High	73.5
Low	73.14
Close	73.41
Value Change	0.1625
% Change	0.22
Spread Near-Next	0.205
Volume	1841923
Open Interest	1824315
Change in OI (%)	0.30%

USDINRR - Outlook for the Day

USDINR had an open on a positive open at 73.49 but later on witnessed profit taking thus leading the closure in red at 73.38. On the daily chart, the pair has formed a red candle but has closed in higher highs indicating support in the pair. USDINR has continued to trade below the short term moving average, medium term moving averages and the long term moving averages. USDINR if opens on a positive note or trades above 73.35 and maintains the same as support, it can move towards 73.50 – 73.65 on the higher side. However, a breach of 73.28 will lead the pair towards 73.10 – 72.90 on the lower side. The daily strength indicator RSI from the highs and momentum oscillator Stochastic is still in the weaker zone.

Buy USDINR above 73.35 for the target of 73.50 – 73.60 with stoploss at 73.18

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR October	72.9000	73.1000	73.2500	73.5500	73.7000	73.9000



India Bullion and Jewellers Association Ltd.

Since 1919

beyond

powered by



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

Disclaimer: This Document has been prepared by Nirmal Bang Securities Pvt. Ltd). The information, analysis and estimates contained herein are based on Nirmal Bang Research assessment and have been obtained from sources believed to be reliable. This document is meant for the use of the intended recipient only. This document, at best, represents Nirmal Bang Research opinion and is meant for general information only. Nirmal Bang Securities Pvt Ltd, its directors, officers or employees shall not in any way be responsible for the contents stated herein. Nirmal Bang Research expressly disclaims any and all liabilities that may arise from information, errors or omissions in this connection. This document is not to be considered as an offer to sell or a solicitation to buy any securities. Nirmal Bang Research, its affiliates and their employees may from time to time hold positions in securities referred to herein.

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