



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 18th February 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	46739	46644
Gold	995	46552	46457
Gold	916	42813	42726
Gold	750	35054	34983
Gold	585	27342	27287
Silver	999	68847	68428

* Rates are exclusive of GST as of 17th February 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
17 th February 2021	46644	68428
16 th February 2021	47407	69804
15 th February 2021	47281	69514
12 th February 2021	47386	68377

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	April	1772.80	-26.20	-1.46
Silver(\$/oz)	March	27.32	-0.01	-0.04

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	29 th March 2021	1779.2
Gold Quanto	24 th March 2021	46257
Silver (\$/oz)	25 th February 2021	27.39

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,132.89	-3.79
iShares Silver	19,494.60	-57.77

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1788.85
Gold London PM Fix(\$/oz)	1780.70
Silver London Fix(\$/oz)	27.12

Weekly CFTC Positions

	Long	Short	Net
Gold	1,53,346.00	47,495.00	1,05,851.00
Silver	63,248.00	23,557.00	39,691.00

Gold Ratio

Gold Silver Ratio	64.90
Gold Crude Ratio	29.00

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
18 th February 7:00PM	United States	Philly Fed Manufacturing Index	20.3	26.5	High
18 th February 7:00PM	United States	Building Permits	1.67M	1.70M	Low
18 th February 7:00PM	United States	Housing Starts	1.66M	1.67M	Low
18 th February 7:00PM	United States	Import Prices m/m	1.0%	0.9%	Low
18 th February 7:00PM	United States	Unemployment Claims	775K	793K	Low

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14951.01	-157.3	-1.05



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold fell to the lowest in more than two months as a stronger dollar and better-than-expected U.S. economic data diminished the appeal of the metal as a haven. U.S. retail sales surged in January by the most in seven months, beating all estimates and suggesting fresh stimulus checks helped spur a rebound in household demand. Production at manufacturers also rose by more than forecast, a fourth straight monthly advance that shows factories continue to recover from pandemic-related disruptions. Gold, which posted its biggest annual gain in a decade last year, headed for a fifth straight drop Wednesday as expectations for more economic aid and progress on vaccinations drive optimism over growth.
- Money market traders are becoming more assertive on the outlook for interest rates in the world's largest economy as the reflation trade sends global bond yields surging. Traders have piled into bets on Federal Reserve hikes, with the swaps market now showing close to 40 basis points of hikes by the end of 2023, with a full 100 basis points baked in by early 2025. Their counterparts in the U.K. are less optimistic, but have concurrently pushed out small rate cut bets to the end of the year from July at the start of this month.
- Exchange-traded funds cut 194,080 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 752,868 ounces, according to data compiled by Bloomberg. This was the biggest one-day decrease since Feb. 9. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 178,101 ounces in the last session. ETFs added 904,188 troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 85.5 million ounces. This was the biggest one-day increase since Feb. 2.
- South Africa's main stock index snapped three days of gains, retreating from its latest record close, as shares of gold miners tumbled the most in almost three months, with bullion falling to the lowest in more than two months as the metal's allure was dimmed by a stronger dollar and rallying Treasury yields. Global equities have been rallying as a so-called reflation trade powers assets tied to economic growth and price rises, including commodities and cyclical stocks, and pushing bond yields higher. Investors are also riding a wave of speculative euphoria from penny stocks to Bitcoin amid abundant policy support. But some are questioning whether the jump in yields could eventually weigh on riskier assets.

Fundamental Outlook: Gold and silver prices are trading flat to slightly higher on international bourses, we expect bullion prices on Indian bourses to trade slightly higher for the day. We recommend buy on dips in precious metals in intra-day. Gold prices corrected in the last session, as data showed U.S. retail sales surged in January by the most in seven months. In addition, production at manufacturers rose more than forecast as factories continued to recover from pandemic-related disruptions.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	February	1720	1740	1760	1800	1825	1855
Silver – COMEX	March	26.35	26.70	27.00	27.65	27.90	28.30
Gold – MCX	February	45800	46000	46180	46350	46500	46750
Silver - MCX	March	67700	68400	69000	69800	70400	71000



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
90.95	0.44	0.49

Bond Yield

10 YR Bonds	LTP	Change
United States	1.2703	-0.0438
Europe	-0.3690	-0.0200
Japan	0.0990	0.0140
India	6.0300	0.0100

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4117	0.0341
South Korea Won	1107.6	7.5500
Russia Ruble	73.7134	0.0669
Chinese Yuan	6.4583	0.023
Vietnam Dong	23015	19
Mexican Peso	20.2245	0.0699

NSE Currency Market Watch

Currency	LTP	Change
NDF	73.01	0.02
USDINR	72.8025	0.0175
JPYINR	68.73	-0.46
GBPINR	100.9	-0.46
EURINR	87.8725	-0.6725
USDJPY	105.99	0.75
GBPUSD	1.3861	-0.007
EURUSD	1.2071	-0.0097

Market Summary and News

- The Bank of England has more scope to increase its bond-buying program to stimulate the economy, a key policy maker said, a sign that officials may be reluctant to push borrowing costs below zero. Deputy Governor Dave Ramsden said the central bank could review some of its own constraints on purchasing U.K. government bonds in financial markets to boost the program known as quantitative easing. While the BOE doesn't rule out negative interest rates, he said QE is a tried and tested tool. The remarks also suggest the central bank isn't ruling out adding more stimulus despite its own expectations of a strong rebound driven by the U.K.'s aggressive vaccination campaign against the coronavirus. "It remains appropriate for policy to lean strongly against downside risks to the outlook," Ramsden said Wednesday in a speech to the University of Birmingham's economics department. The BOE in November voted to increase its QE program by 150 billion pounds (\$208 billion) of purchases during 2021 and recently has been buying at the rate of 4.4 billion pounds a week.
- The Reserve Bank of India stepped in to signal that it will conduct large-scale open market operations and hold the benchmark bond yield at near 6% thus crushing the expectation that a rare savings glut will reverse next year pushed up benchmark 10-year bond yields sharply in the days after the budget. The central bank's efforts worked with the 10-year bond yield now trading back at near 6.02%. Even as the RBI is optically trying to manage the 10-year bond yield, the other parts of the curve are showing the impact of a very high supply and eventual normalization. Short-term costs first rose when the RBI announced a resumption of variable rate reverse repo operations at the start of the year. They have continued to inch higher since then. While the RBI will reverse a 100-basis-point cut in the cash reserve ratio announced last year between March and May, it has assured of comfortable liquidity via other means such as open market operations.
- Treasury Secretary Janet Yellen praised the European Central Bank for its "swift and decisive" response to the pandemic in a call with President Christine Lagarde that addressed ways to boost growth and jobs. Yellen "commended the ECB's swift and decisive policy response to the pandemic and discussed policy tools to foster growth and job creation in both Europe and the United States," in the call with Lagarde Tuesday, according to an emailed statement from the Treasury. The engagement highlights the Biden administration's emphasis on economic recovery on both the international and domestic stages. Yellen last week told her counterparts and central bank chiefs from the Group of Seven "the time to go big is now" with regard to further fiscal support.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	72.4000	72.5500	72.6800	72.8500	73.0600	73.2500



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	46800
High	46800
Low	46162
Close	46237
Value Change	-662
% Change	-1.41
Spread Near-Next	841
Volume (Lots)	12286
Open Interest	13623
Change in OI (%)	5.48%

Gold - Outlook for the Day

Gold prices has been under pressure yesterday as we seen a sharp fall from 1820-1760 levels. It seems that the prices are likely to resist at higher levels around 1820-30 zone. At the same time the immediate support is 1760-70 where the commodity can take halt and bounce try to trade between 1760-1820 for the day.

SELL GOLD APRIL (MCX) AT 46500 SL 46800 TARGET 46180/46000

Silver Market Update



Market View

Open	69507
High	69626
Low	68412
Close	69231
Value Change	-141
% Change	-0.2
Spread Near-Next	0
Volume (Lots)	19662
Open Interest	12055
Change in OI (%)	-1.94%

Silver - Outlook for the Day

Similarly Silver too witnessed a crash in the prices and finally closed almost 30 cents from the previous close. For the day we are recommending to trade between 27.50-26.70 zone. After a sharp fall it seems that the commodity can take a pullback till 26.50-60 should be used as selling opportunity for the target of 26.70.

BUY SILVER MARCH (MCX) AT 69000 SL 68200 TARGET 69800/70200

SELL SILVER MARCH (MCX) AT 70400 SL 71000 TARGET 69500/69200



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	72.93
High	73
Low	72.7725
Close	72.8025
Value Change	0.0175
% Change	0.02
Spread Near-Next	0
Volume	2059668
Open Interest	2846008
Change in OI (%)	-7.57%

USDINRR - Outlook for the Day

USDINR witnessing a gap up at 72.93 marking the high at 73 in the initial hour of session but the later was followed by strong profit taking in the pair. It tested the lows of 72.77 with closure near the same at 72.80. On the daily chart, the pair has formed a long red candle with closure in higher highs and lows thus showing struggle to maintain the bullish leg in the pair. USDINR still has given a close above the short term moving average but has continued to show resistance at the medium and long term moving average. USDINR if opens below 72.78, it will continue with the bearish momentum towards 72.60 – 72.45 and one can go short. However, an open above 72.90 will lead the pair to test the highs of 73.10 – 73.25. The daily strength indicator RSI and momentum oscillator both are still below the reference line indicating weakness in the pair.

Buy USDINR above 72.87 for the target of 73 – 73.10 with stoploss at 72.60

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR February	72.3000	72.5000	72.6500	72.8500	73.0000	73.1500



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