



India Bullion and Jewellers Association Ltd.

Since 1919

beyond

powered by

NIRMAL BANG
a relationship beyond broking



Daily Bullion Physical Market Report

Date: 22nd February 2021

Daily India Spot Market Rates

| Description | Purity | AM | PM |
|-------------|--------|-------|-------|
| Gold | 750 | 34626 | 34576 |
| Gold | 995 | 45983 | 45916 |
| Gold | 916 | 42290 | 42229 |
| Gold | 999 | 46168 | 46101 |
| Gold | 585 | 27008 | 26969 |
| Silver | 999 | 67764 | 68414 |

* Rates are exclusive of GST as of 19th February 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

| Date | Gold* | Silver* |
|--------------------------------|-------|---------|
| 19 th February 2021 | 46101 | 68414 |
| 18 th February 2021 | 46439 | 68700 |
| 17 th February 2021 | 46644 | 68428 |
| 16 th February 2021 | 47407 | 69804 |

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

COMEX Futures Watch

| Description | Contract | Close | Change | % Chg |
|---------------|----------|---------|--------|-------|
| Gold(\$/oz) | April | 1777.40 | 2.20 | 0.12 |
| Silver(\$/oz) | March | 27.29 | -0.24 | -0.87 |

Bullion Futures DGCX

| Description | Contract | LTP |
|----------------|--------------------------------|--------|
| Gold (\$/oz) | 29 th March 2021 | 1778.6 |
| Gold Quanto | 24 th March 2021 | 46217 |
| Silver (\$/oz) | 25 th February 2021 | 27.30 |

ETF Holdings as on Previous Close

| ETF | In Tons | Net Change |
|----------------|-----------|------------|
| SPDR Gold | 1,127.64 | -5.25 |
| iShares Silver | 19,243.26 | -72.22 |

Gold and Silver Fix

| Description | LTP |
|---------------------------|---------|
| Gold London AM Fix(\$/oz) | 1773.75 |
| Gold London PM Fix(\$/oz) | 1786.20 |
| Silver London Fix(\$/oz) | 26.95 |

Weekly CFTC Positions

| | Long | Short | Net |
|--------|-------------|-----------|-----------|
| Gold | 1,40,896.00 | 57,315.00 | 83581.00 |
| Silver | 64,845.00 | 23,855.00 | 40,990.00 |

Gold Ratio

| | |
|-------------------|-------|
| Gold Silver Ratio | 65.12 |
| Gold Crude Ratio | 30.00 |

Macro-Economic Indicators

| Time | Country | Event | Forecast | Previous | Impact |
|----------------------------------|---------------|----------------------|----------|----------|--------|
| 22 nd February 8:30PM | United States | CB Leading Index m/m | - | 0.3% | Low |

MCX Indices

| Index | Close | Net Change | % Change |
|---------------------|----------|------------|----------|
| MCX iCOMDEX Bullion | 14721.58 | 49.09 | 0.33% |



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 began the year with lofty expectations on the back of a record high and its biggest annual gain in a decade. Instead, the precious metal is off to its worst start in 30 years. Spot prices touched a seven-month low on Friday before erasing losses as the dollar moved lower, though bullion is already down more than 6% this year. The metal, which surged last year on pandemic-induced haven buying, low interest rates and stimulus spending, is now 2021's worst performer in the Bloomberg Commodity Index. It's suddenly facing a host of unexpected stumbling blocks. Chief among those are the surprising resilience in the dollar and a rally in U.S. Treasury yields as economic indicators show recovery from the pandemic is well under way.
- The Federal Reserve warned of significant risks of business bankruptcies and steep drops in commercial real estate prices in a report published on Friday. "Business leverage now stands near historical highs," the central bank said in its semi-annual Monetary Policy Report to Congress. "Insolvency risks at small and medium-sized firms, as well as at some large firms, remain considerable." In part encouraged by government and Fed programs, businesses have taken on more debt over the past year as they've struggled to deal with the economic and financial fall-out from Covid-19, including in some cases forced shutdowns.
- The Fed report, which provides lawmakers with an update on economic and financial developments and monetary policy, was published on the central bank's website ahead of Chair Jerome Powell's testimony before the Senate Banking Committee on Tuesday and the House Financial Services panel a day later. In the report, the Fed voiced hopes of an end to the pandemic later this year though it cautioned that pitfalls remained. In particular, it said that commercial real estate prices "appear susceptible to sharp declines" from historically high levels. That could particularly prove to be the case if the level of distressed sales picks up or if the pandemic leads to longer-term declines in demand, it said.
- Exchange-traded funds cut 69,188 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 1.04 million ounces, according to data compiled by Bloomberg. This was the fourth straight day of declines. ETFs also cut 2.63 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 83.2 million ounces.

Fundamental Outlook: Gold and silver prices are trading slightly higher on international bourses, we expect precious metals prices on Indian bourses to trade range-bound to slightly higher for the day. We recommend buy on dips in precious metals in intra-day as optimism over the efficacy of some Covid-19 vaccines and rising bond yields, while investors awaited testimony from Federal Reserve Chair Jerome Powell.

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 | 26.50 | 26.70 | 27.65 | 27.90 | 28.30 |
| Gold – MCX | February | 45550 | 45800 | 46100 | 46400 | 46550 | 46800 |
| Silver - MCX | March | 68000 | 68700 | 69200 | 69700 | 70400 | 71000 |



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 |
|-----------|--------|----------|
| 90.36 | -0.36 | -0.39 |

Bond Yield

| 10 YR Bonds | LTP | Change |
|---------------|---------|--------|
| United States | 1.3364 | 0.0407 |
| Europe | -0.3070 | 0.0400 |
| Japan | 0.1090 | 0.0120 |
| India | 6.1350 | 0.1040 |

Emerging Market Currency

| Currency | LTP | Change |
|-----------------|---------|---------|
| Brazil Real | 5.3877 | -0.0436 |
| South Korea Won | 1105.85 | -1.8000 |
| Russia Ruble | 74.1237 | 0.2277 |
| Chinese Yuan | 6.4577 | -0.0301 |
| Vietnam Dong | 23015 | 5 |
| Mexican Peso | 20.4288 | 0.1201 |

NSE Currency Market Watch

| Currency | LTP | Change |
|----------|---------|---------|
| NDF | 72.81 | -0.04 |
| USDINR | 72.63 | -0.1725 |
| JPYINR | 68.755 | 0.025 |
| GBPINR | 101.175 | 0.275 |
| EURINR | 87.6975 | -0.175 |
| USDJPY | 105.68 | -0.31 |
| GBPUSD | 1.393 | 0.0069 |
| EURUSD | 1.2074 | 0.0003 |

Market Summary and News

- The US dollar index is well supported amid signs of some stress building up in the US stocks. DOW futures are in red today and the US dollar has extended a rally from a three week low over last few days despite good amount of risk appetite in world markets. The dollar index currently quotes at a one and half week high of 90.90. The US economic cues have been strong and there has been an open pledge by the European Central Bank for keeping the monetary policy ultra-easy to combat the downside effect of the Covid-19 on the economy. This has led to a crash in Euro, keeping the dollar index broadly supported.
- The Federal Reserve says there's evidence that hiring has picked up in recent weeks, though the job market remains badly damaged by the pandemic. In its semi-annual monetary policy report released Friday, the Fed said it has been watching job data compiled by payroll processor ADP. The Fed has constructed its own measurement of hiring using the ADP data, and said that gauge has closely matched the government's monthly jobs reports throughout the pandemic. The ADP data indicate that employment improved modestly through early February, the Fed's report said. It also said that its measure shows that the battered leisure and hospitality industry which includes restaurants, bars, hotels and entertainment venues has started adding jobs again, after a temporary downturn at the end of last year. The Fed has in the past several years turned increasingly to non-governmental sources of economic data to get a quicker, more timely read on the economy. In its report, the central bank said this has proved particularly useful during the pandemic given the speed of the recession, which eliminated 22 million jobs in just two months this spring. Just 55% of those jobs have been recovered.
- Government Securities (G-Sec) auctions are caught in a tug-of-war between bidders demanding higher yields and the Reserve Bank of India's reluctance to concede that, leading to devolvement on primary dealers (PDs). Of the four G-Sec auctions conducted since the Budget, only one (on February 11) was fully subscribed without PD support. In the G-Sec auctions conducted since the Budget announcement, the RBI devolved G-Secs aggregating about ₹37,000 crore on PDs. Finance Minister Nirmala Sitharaman had announced in her Budget speech that the government would need to borrow another ₹80,000 crore in February-March and the gross borrowing from the market for FY22 would be around ₹12-lakh crore. The market wants higher yields, but the central bank, which is the banker and debt manager to the government, wants to keep the yields from rising as they have implications for the cost of government's borrowing. Rising G-Sec yields will have a ripple effect as the cost of borrowing of States and India Inc too will rise in sync.

Key Market Levels for the Day

| | S3 | S2 | S1 | R1 | R2 | R3 |
|-------------|---------|---------|---------|---------|---------|--------|
| USDINR Spot | 72.1000 | 72.3000 | 72.4500 | 72.7000 | 72.8500 | 73.000 |



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 | 45986 |
| High | 46490 |
| Low | 45861 |
| Close | 46197 |
| Value Change | 71 |
| % Change | 0.15 |
| Spread Near-Next | 881 |
| Volume (Lots) | 11107 |
| Open Interest | 13440 |
| Change in OI (%) | -2.31% |

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.

BUY GOLD APRIL (MCX) AT 46100 SL 45800 TARGET 46400/46550

Silver Market Update



Market View

| | |
|------------------|--------|
| Open | 68000 |
| High | 69838 |
| Low | 67530 |
| Close | 69012 |
| Value Change | 518 |
| % Change | 0.76 |
| Spread Near-Next | 0 |
| Volume (Lots) | 22771 |
| Open Interest | 11387 |
| Change in OI (%) | -3.93% |

Silver - Outlook for the Day

Similarly Silver too witnessed a crash in the prices and finally closed lower by more than 1%. 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 69200 SL 68400 TARGET 70400/70700



India Bullion and Jewellers Association Ltd.

Since 1919



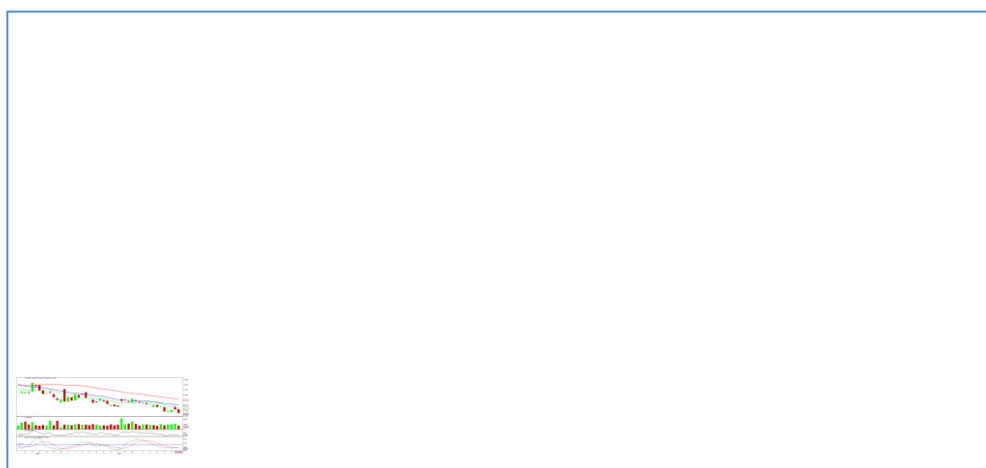
beyond

powered by

NIRMAL BANG
a relationship beyond broking

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



| Market View | |
|------------------|---------|
| Open | 72.8125 |
| High | 72.8475 |
| Low | 72.615 |
| Close | 72.63 |
| Value Change | -0.1725 |
| % Change | -0.24 |
| Spread Near-Next | 0 |
| Volume | 1338746 |
| Open Interest | 2752580 |
| Change in OI (%) | 0.00% |

USDINRR - Outlook for the Day

USDINR continued with the weak open at 72.81 and continued with the strong bearish momentum marking the day's low at 72.61 with closure near the same at 72.63. On the daily chart, the pair has formed a long red candle with closure in lower lows and highs indicating the return of bearish sentiment in the pair. USDINR has given closure below the short term moving average and has continued to show resistance at the medium and long term moving average. USDINR if opens below 72.58, it will continue with the bearish momentum towards 72.45 – 72.20 and one can go short. However, a move above 72.66 will lead the pair to test the highs of 72.80 – 73. The daily strength indicator RSI and momentum oscillator both are still below the reference line indicating weakness in the pair.

Sell USDINR below 72.58 for the target of 72.40 with stoploss at 72.70

Key Market Levels for the Day

| | S3 | S2 | S1 | R1 | R2 | R3 |
|-----------------|---------|---------|---------|---------|---------|---------|
| USDINR February | 72.2000 | 72.3500 | 72.5000 | 72.7500 | 72.9000 | 73.0000 |



India Bullion and Jewellers Association Ltd. Since 1919



beyond

powered by

 **NIRMAL BANG**
a relationship beyond broking

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