

## Daily Bullion Physical Market Report

Date: 6<sup>th</sup> November 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	78446	78566
Gold	995	78132	78251
Gold	916	71857	71967
Gold	750	58835	58925
Gold	585	45891	45961
Silver	999	93764	94261

Rate as exclusive of GST as of 05<sup>th</sup> November 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
05 <sup>th</sup> November 2024	78566	94261
04 <sup>th</sup> November 2024	78518	94482
02 <sup>nd</sup> November 2024	78425	93501
31 <sup>st</sup> October 2024	79557	96670

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2749.70	3.50	0.13
Silver(\$/oz)	DEC 24	32.78	0.17	0.51

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	888.63	0.00
iShares Silver	14,915.16	-34.48

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2738.75
Gold London PM Fix(\$/oz)	2742.55
Silver London Fix(\$/oz)	32.65

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2751.1
Gold Quanto	DEC 24	78527
Silver(\$/oz)	DEC 24	32.66

### Gold Ratio

Description	LTP
Gold Silver Ratio	83.90
Gold Crude Ratio	38.20

### Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	257521	20446	237075
Silver	54826	13657	41169

### MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	19500.38	29.78	0.15 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
06 <sup>th</sup> November 07:00 PM	United States	NO DATA	-	-	Low

## Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold held steady as US Election Day begins, with a Federal Reserve interest rate decision also due later this week. Bullion was near \$2,740 an ounce, just shy of the all-time high set last week. While prices have been relatively stable so far on Tuesday, previous US elections have seen sharp swings. With polls suggesting a photo-finish result, the risk of a disputed outcome means that the vote count could drag on for days or even weeks. Meanwhile, the Fed and some of its rich-world peers are expected to lower borrowing costs later this week. Lower rates are often seen as supportive for gold, which doesn't pay interest. Gold has surged by more than 30% so far this year, aided by expectations of Fed rate cuts, central-bank buying and haven demand amid conflicts in the Middle East and Ukraine. Uncertainty around the tight US presidential race has also supported the yellow metal. The latest data showed the US service sector expanded in October at the fastest pace in over two years, with the Institute for Supply Management's employment index climbing to the highest since August 2023. Further job gains, paired with low unemployment and limited layoffs, painted a more resilient labor market picture than offered by last week's monthly jobs report.

□ Exchange-traded funds cut 112,039 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 1.73 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$306.6 million at yesterday's spot price. Total gold held by ETFs fell 2 percent this year to 83.9 million ounces. Gold advanced 33 percent this year to \$2,736.78 an ounce and remained little changed in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, maintained its holdings in the last session. The fund's total of 28.6 million ounces has a market value of \$78.2 billion. ETFs also cut 1.26 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 42.8 million ounces.

□ Zimbabwe's gold production rose from 3,701.5 kgs in October 2023, Fidelity Gold Refinery said on Tuesday. Output by large scale miners was 1,024.6 kgs down from 1,058.7 kgs the same month a year earlier. Deliveries by small scale miners rose 3,143.2 kgs compared to 2642.8 kgs produced prior year. Peter Magaramombe, general manager for Fidelity Gold Refinery told Bloomberg that if current levels of production are maintained in Nov. and Dec, the country will be able to achieve its annual target of 35 tons. NOTE: October's production is the highest so far this year. NOTE: Zimbabwe Misses 2023 Gold-Output Target as 30.1 Tons Produced. NOTE: In January through Oct. this year, the country has produced 28,261.79 kgs, up from 26,167.46 kgs a year earlier.

□ Diverging fortunes for gold prices and Brent futures signals that markets weight the implications of US elections and the pace of Fed interest-rate cuts more heavily than an escalation of tensions in the Middle East. Looking at just the fall in Brent futures and the rise in equities in recent months would suggest the world has been spared major geopolitical risks of late. However, the rally in gold prices reflects the high degree of uncertainty rattling investors: a coin-toss outcome in the US election and contradictory economic data that make the pace of Fed rate cuts hard to predict. Gold typically serves as a safe haven against uncertain events that could change the direction of markets, such as geopolitical risk. Historically, conflicts involving major oil producers have also caused crude to rally along with gold on concern about supply disruptions. Since Iran blamed Israel for an air strike at Iran's consulate in Syria in April, oil prices have fallen, while gold has risen, as shown by the chart below. Brent futures near \$75 don't indicate much of a geopolitical risk premium and prices this year are more reflective of weak supply and demand fundamentals. More delays in production expansion plans by OPEC+, or any other non-war related supply constraints could put oil back at the forefront. A recent one-month delay of OPEC+ supply expansion already pushed Brent futures up by more than 4% since Friday.

□ Gold on average does better when a new president wins the election, but only after they are sworn in. When the incumbent wins, the precious metal struggles for many months after the vote. Gold has rallied strongly in recent months. Demand has mainly been driven by central banks, both EM and DM, upping their ownership of gold. The World Gold Council estimates that global central banks added 1,037 tonnes in 2023, their second highest annual purchase in history. They now hold over 36,000 tonnes of gold, close to the peak seen just after Nixon closed the Gold Window in 1972. Geopolitical uncertainty is fueling demand as countries seek a hedge from the dollar system. But the political unknown of a new president is typically also beneficial for gold. Going back to elections from 1972, i.e. after the dollar's convertibility to gold was ended, the metal on average sells off after the vote. However, after the inauguration of a new president it rallies over the next six months. When the incumbent wins, however, the selloff continues after the ceremony in mid-January. With gold overbought, it could face some turbulence in the shorter term. The historical pattern of it selling off post-election (no matter whether a new president or the incumbent wins), and rebounding thereafter, thus seems a good indicator this election too.

**Fundamental Outlook:** Gold and silver prices are trading marginally lower today on the international bourses. We expect gold and silver prices to trade range-bound to slightly lower for the day; as gold prices are steady as the market braced for a tight US election, and a Federal Reserve rate decision later in the week.

### Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2695	2720	2745	2755	2775	2800
Silver – COMEX	December	32.00	32.20	32.40	32.55	32.70	32.85
Gold – MCX	December	77900	78150	78350	78600	78800	79100
Silver – MCX	December	92800	93500	94200	94750	95500	96100



## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
103.42	-0.46	-0.44

### Bond Yield

10 YR Bonds	LTP	Change
United States	4.2708	-0.0140
Europe	2.4240	0.0310
Japan	0.9420	-0.0090
India	6.8310	-0.0010

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.7464	-0.0376
South Korea Won	1380.05	4.1000
Russia Rubble	97.7732	-1.0986
Chinese Yuan	7.1047	0.0038
Vietnam Dong	25341	21.0000
Mexican Peso	20.1122	0.0067

### NSE Currency Market Watch

Currency	LTP	Change
NDF	84.23	0.1300
USDINR	84.17	-0.0100
JPYINR	55.29	-0.4100
GBPINR	109.215	0.1475
EURINR	91.745	-0.0625
USDJPY	151.77	0.1600
GBPUSD	1.2988	0.0033
EURUSD	1.0894	-0.0002

### Market Summary and News

□ The dollar gauge is sliding ahead of US vote results as polls show a deadlocked presidential race. Euro volatility is headed for the biggest daily rise since 2008. The Bloomberg Dollar Spot Index slips 0.4%, second day of declines. "There has been some lightening of USD longs to start the week and a weaker USD" as Vice President Kamala Harris has shown some momentum, said Aroop Chatterjee, a strategist at Wells Fargo. "We think more decisive USD moves are likely post 8pm ET as we start to get results from key swing states," he said. "There has been some unwind of the Trump Trade over the last couple of days and these are probably the final adjustments ahead of tonight in what is a very thin market right now," said Lee Ferridge, a strategist at State Street. Regarding the Fed, "chances are that with a soft landing in the US, the policy normalization will remain very gradual in a boost to the relative rate appeal of the USD across the board," said Valentin Marinov, head of Credit Agricole's G10 FX strategy in London. "This much could point at a fairly asymmetric profile for the currency after the election — accentuated gains in the event of a Trump victory and limited losses in the event of a Harris victory." EUR/USD rose 0.4% to 1.0925, reaching highest since mid-October, while overnight volatility heads for its biggest daily increase since the global financial crisis. Citigroup recommends these trades once the election results are clear: Daniel Tobon, strategist at Citi, says buy USD against EUR, SEK, NOK in case of a victory by former President Donald Trump. If Harris wins, he says sell USD/JPY, and buy AUD/USD. AUD/USD gains the most in the Group of 10, traded up 0.8% at 0.6637, its highest level since Oct. 25. Australia's central bank held its key interest rate at a 13-year high as expected, marking a year at that level, and restated that it isn't "ruling anything in or out" on policy. "We expect a cut in 2Q next year but further support to the Chinese economy could affect that," wrote Kit Juckes, chief FX strategist at Societe Generale SA. USD/JPY fell 0.3% to trade at 151.64; Democratic Party for the People leader Yuichiro Tamaki said Bank of Japan monetary policy should stay on hold a while longer. GBP/USD climbs 0.6% to 1.3035, a third day of gains. The Bank of England is expected to cut rates by 25bps on Thursday. "With the budget set to fuel inflation, we expect the BOE to continue to stress a gradual approach to monetary policy easing, setting the stage for a December pause," wrote Kirstine Kundby-Nielsen, an analyst at Danske Bank. She expects a quarter-point cut this week from the BOE. "We expect EUR/GBP to move lower in the coming quarters driven by UK economic outperformance, BOE lagging peers in an easing cycle for the time being," she said.

□ MSCI's index for emerging-market currencies ended the day 0.1% lower and developing-world stocks gained as traders girded for results from a coin-toss US election. The Mexican peso, which investors have highlighted as one of the currencies to be most affected by the US vote outcome, fluctuated between gains and losses before ending the trading session mostly flat. Earlier, the currency retreated after the US services sector expanded at its fastest pace in more than two years, backing bets the US Federal Reserve could pause its cuts in December. Traders are awaiting the first polls to close at 7pm ET and results to start trickling in from a tight race between Donald Trump and Vice President Kamala Harris. The dollar extended losses while Treasury yields fell. The Brazilian real strengthened, bouncing back from earlier losses as Finance Minister Fernando Haddad met with government officials to discuss spending cut measures. The Israeli shekel ended the session little changed after Prime Minister Benjamin Netanyahu fired Defense Minister Yoav Gallant. The South African rand, which is considered a proxy for risk appetite in EM due to its liquidity, strengthened on a strong weekly government bond auction. The currency extended gains throughout the session, rising 0.7%. Meanwhile in Asia, the South Korean won lagged as data showing decelerating inflation supported bets on future rate cuts by the Bank of Korea. Developing-world equities rose 0.8% led by stocks listed in Hong Kong and Taiwan.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	84.0350	84.0625	83.0975	84.1325	84.1625	84.1975

**Nirmal Bang Securities - Bullion Technical Market Update**

**Gold Market Update**



Market View	
Open	78211
High	78687
Low	78191
Close	78507
Value Change	85
% Change	0.11
Spread Near-Next	598
Volume (Lots)	4753
Open Interest	12354
Change in OI (%)	-6.35%

**Gold - Outlook for the Day**

**BUY GOLD DEC (MCX) AT 78350 SL 78150 TARGET 78600/78800**

**Silver Market Update**



Market View	
Open	94103
High	95332
Low	93939
Close	94648
Value Change	364
% Change	0.39
Spread Near-Next	2437
Volume (Lots)	10928
Open Interest	23260
Change in OI (%)	-3.99%

**Silver - Outlook for the Day**

**SELL SILVER DEC (MCX) AT 94750 SL 95500 TARGET 94000/93500**

**Nirmal Bang Securities - Currency Technical Market Update**

**USDINR Market Update**



Market View	
Open	84.1900
High	84.1950
Low	84.1675
Close	84.1700
Value Change	-0.0100
% Change	-0.0119
Spread Near-Next	-0.8430
Volume (Lots)	601666
Open Interest	3693077
Change in OI (%)	11.18%

**USDINR - Outlook for the Day**

The USDINR future witnessed flat opening at 84.19, which was followed by a session where price shows profit-taking from higher level with candle enclosure near low. A red candle has been formed by the USDINR price closed around short-term moving averages. Price was consolidating in narrow range. On the daily chart, the MACD showed a negative crossover above zero-line, while the momentum indicator, RSI trailing between 50-54 levels indicating negative impact. We are anticipating that the price of USDINR futures will fluctuate today between 84.12 and 84.21.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR NOV	84.0975	84.1150	84.1525	84.2150	84.2575	84.2850



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