



Daily Bullion Physical Market Report

Date: 08th August 2022

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	52140	52019
Gold	995	51931	51811
Gold	916	47760	47649
Gold	750	39105	39014
Gold	585	30502	30431
Silver	999	57838	57362

*Rate as exclusive of GST as of 05th August 2022 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
05 th August 2022	52019	57362
04 th August 2022	52039	58057
03 rd August 2022	51566	57309
02 nd August 2022	51549	57904

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 22	1791.20	30.50	1.72
Silver(\$/oz)	SEPT 22	19.84	0.23	1.15

ETF Holdings as on Previous Close

ETFs	Long	Short
SPDR Gold	999.16	-1.16
iShares Silver	15,107.35	-28.68

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1786.75
Gold London PM Fix(\$/oz)	1773.25
Silver London Fix(\$/oz)	20.06

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	August 22	1781.2
Gold Quanto	August 22	52321
Silver(\$/oz)	SEPT. 22	19.87

Gold Ratio

Description	LTP
Gold Silver Ratio	90.27
Gold Crude Ratio	20.12

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	109004	81105	27899
Silver	33356	41752	-8396

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	14409.33	-98.95	0.69 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
08 th August 06:00 PM	United States	NO DATA	-	-	LOW



Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold dropped after US labor market data showed employers added more jobs in July than forecast, an indication the Federal Reserve may press on with steep interest-rate hikes to thwart inflation. Nonfarm payrolls rose 528,000 last month, more than double economists' estimates. The dollar rose following the data release, putting pressure on gold. Still, bullion is now poised to end the week little changed, after earlier gains amid tension between China and US over US House speaker Nancy Pelosi's visit to the Taiwan. Bullion is headed for a third weekly gain, even as prices slipped on Friday, after China likely fired missiles over Taiwan during military drills. Beijing has responded aggressively to US House Speaker Nancy Pelosi's visit to the island this week.

❖ A Nevada metals trader with a side gig on the world poker circuit was charged Friday with manipulating gold and silver markets using a technique called spoofing. The Commodity Futures Trading Commission alleges that Daniel Shak, who also runs a small hedge fund, repeatedly placed orders for gold and silver futures contracts with the intent to cancel the bids or offers before execution. Called spoofing, the practice gained notoriety following a high-profile criminal case involving several JPMorgan Chase & Co. bankers. "These charges demonstrate once again that the CFTC will vigorously prosecute to the fullest extent of the law, misconduct that has the potential to undermine the integrity of our markets," Gretchen Lowe, the CFTC's acting division of enforcement director, said in a statement. The announcement comes as jurors in Chicago continued a fifth full day of deliberations in the massive JPMorgan spoofing case, in which three former bankers are accused of running a criminal enterprise and conspiring to commit price manipulation, wire fraud, commodities fraud and spoofing on precious metals futures markets. Shak already has a history with the CFTC, having settled with the agency in March 2015 over claims that he traded during the closing minute of the gold futures market after being ordered not to. Shak, who is the founder of SHK Management LLC, is better known for competing in more than 150 major poker tournament events in which he earned more than \$11.7 million going back to 2004. Precious metals investors may also remember Shak from more than a decade ago when the Wall Street Journal reported that his hedge fund roiled the gold market after it had made bad bets, forcing him to liquidate the position and return money to clients. Shak at the time held gold contracts worth more than 10% of the U.S. futures market.

❖ New Czech central bank governor Ales Michl said he wants to increase the portion of shares and gold in foreign reserves to diversify risk and make the institution profitable. In an interview with the Pravo newspaper published on Saturday, Michl said he'll propose a gradual increase in stock market investments to at least 20% of reserves, from the current 16%. He also said gold holdings should rise about tenfold to more than 100 tons over several years, because the precious metal has zero correlation with shares. The bank's reserves totaled an equivalent of \$157 billion in June. "The central bank's balance sheet and profit-and-loss statements weren't important until now; they are important to me," Michl said. "In six years, I want to hand over to my successor a bank that has a chance to be profitable for long term." Michl, 44, was promoted to governor in July after opposing a series of large interest-rate increases, as part of a broader revamp of the central bank's leadership. He chaired his first policy meeting on Thursday, in which the majority of the board voted to halt monetary tightening and keep borrowing costs stable. Michl reiterated his earlier comments that current inflation, which is expected to peak at about 20% this year, is driven mainly by shocks from abroad, such as high energy costs, that are beyond the influence of monetary policy. Higher borrowing costs are already curbing domestic pressures on consumer prices, and taming inflation will also require the government to cut budget deficits and workers to accept wage growth that's below inflation, according to the governor.

❖ Money managers have flipped to bullish from bearish on gold as long positions outnumbered short ones by 27,899, weekly CFTC data on futures and options show. The traders had been net-short by 10,474 positions a week earlier. The net-long position was the most bullish in five weeks. Long-only positions rose 6,931 lots to 109,004 in the week ending Aug. 2. The long-only total was the highest in four weeks. Short-only positions fell 31,442 lots to 81,105. The short-only total was the lowest in five weeks. Money managers have decreased their bearish silver bets by 9,097 net-short positions to 8,396, weekly CFTC data on futures and options show. The net-short position was the least bearish in four weeks. Long-only positions fell 3,637 lots to 33,356 in the week ending Aug. 2. The long-only total was the lowest in more than two years. Short-only positions fell 12,734 lots to 41,752. The short-only total was the lowest in five weeks.

❖ Exchange-traded funds cut 81,050 troy ounces of gold from their holdings in the last trading session, bringing this year's net purchases to 3.19 million ounces, according to data compiled by Bloomberg. This was the third straight day of declines. The sales were equivalent to \$145.2 million at yesterday's spot price. Total gold held by ETFs rose 3.3 percent this year to 101 million ounces, the lowest level since March 1. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 10,850 ounces in the last session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 10,850 ounces in the last session.

❖ **Fundamental Outlook:** Gold and silver prices are trading flat on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to higher for the day. We recommend buy on dips in gold and silver in intra-day trading sessions as gold held its biggest decline in two weeks after strong US jobs growth tempered recession fears, suggesting the Federal Reserve is likely to persist with steep interest-rate hikes to curb inflation.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1710	1730	1755	1780	1795	1815
Silver – COMEX	September	19.20	19.50	19.75	20.00	20.25	20.55
Gold – MCX	October	51300	51600	51800	52000	52250	52400
Silver – MCX	September	55800	56400	57000	57700	58200	58750



Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
106.62	-0.81	-0.76

Bond Yield

10 YR Bonds	LTP	Change
United States	2.8268	0.1386
Europe	0.9520	0.1520
Japan	0.1680	-0.0100
India	7.3010	0.1440

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.1639	-0.0494
South Korea Won	1298.25	-11.9000
Russia Rubble	61.0135	-0.7617
Chinese Yuan	6.7619	0.0126
Vietnam Dong	23389	1
Mexican Peso	20.404	0.0575

NSE Currency Market Watch

Currency	LTP	Change
NDF	79.65	0.24
USDINR	79.375	-0.16
JPYINR	59.7025	0.335
GBPINR	96.4025	-0.1625
EURINR	81.325	0.1975
USDJPY	133	-0.99
GBPUSD	1.2142	0.0012
EURUSD	1.0247	0.0052

Market Summary and News

❖ The European Central Bank injected 17 billion Euros (\$17.3 billion) into Italian, Spanish and Greek debt markets between June and July, while allowing its portfolio of German, Dutch and French debt to fall by slightly more, according to calculations by the Financial Times based on ECB data. The ECB concluded net purchases under its pandemic-era bond-buying program in March and is now focusing reinvestments of maturing bonds on the bloc's weaker members. The move highlights how the ECB is seeking to cap borrowing costs for countries such as Italy and prevent yields surging as it pulls back from the accommodative stance that supported the region for years, the FT reported. Weeks after raising interest rates for the first time in over a decade, ECB policy makers are worried that tighter monetary policy will widen the gulf between the region's strongest and weakest economies, the newspaper reported. What Bloomberg Economics Says (Aug. 3): "The base case is that the country (Italy) will be able to keep a cap on borrowing costs through a combination of declining market expectations for monetary tightening on recession worries, and bond purchases by the ECB. However, if the 10-year Italian yield were to settle around 4%, just 100 bps higher than it is now, debt servicing costs would be put on a trajectory to surpass that multi-decade high. The move would likely increase fears of insolvency."

❖ The Japanese yen has become the worst performing G10 currency in the year to date. It is down 14.76% against the U.S. dollar, trading at 135.01 to the U.S. currency. The Japanese yen has underperformed the Bloomberg Dollar Spot Index by 23.39 percentage points. Other underperformers among G10 currencies include: The Swedish Krona, down 11.48% against the U.S. dollar for the year to date. The British pound, down 10.78%. Top performers include: The Canadian dollar, down 2.28% against the U.S. dollar for the year to date. The Australian dollar, down 4.85%. The Swiss franc, down 5.05%.

❖ Already suffering from the war in nearby Ukraine, Eastern Europe's main currencies are about to take another blow from a looming euro-area recession. Traders are more bearish on the Hungarian forint, Polish zloty and Czech koruna than any other developing-nation currency except for Russia's ruble and the Turkish lira, according to data collected by Bloomberg. And Goldman Sachs Group Inc., Fidelity International and In Touch Capital Markets all see Eastern Europe suffering more than other emerging markets if the euro weakens. The three currencies are seen as especially vulnerable to wavering demand from the 19-nation single-currency area, which buys about 60% of each country's exports. Since Russia's invasion of Ukraine in February, they have also been trading increasingly in lockstep with the euro. "We are cautious and negative on eastern European currencies," said Paul Greer, a money manager at Fidelity International in London who is betting on further declines in the zloty and koruna versus the dollar. The region "is the most vulnerable bloc within emerging markets in the currency space," he said. While the International Monetary Fund warned in July that the world economy may soon be on the cusp of a recession, the euro region's prospects look particularly dire. Record-breaking inflation and the heightened likelihood of a Russian energy cutoff threaten to inflict a slump in the single-currency club. Eastern European currencies will likely see the biggest declines in emerging markets if the euro drops below dollar parity for a sustained period, given their exposure to euro-bloc demand and gas disruptions, Goldman Sachs strategists said. In late July, the US bank cut its three-month euro target to \$0.99 from \$1.05. The region's currencies have been among the hardest hit by the fallout from Russia's invasion of Ukraine in February. Since the war started, the forint weakened 17% against the dollar and 8.2% to the euro. The zloty has lost 12% versus the US currency in the period, while the koruna slumped 9.6%. The currencies' growing connection to the euro underscores the potential for further impact from any weakening of the common currency. When paired against the dollar, all three have an inverse correlation with the euro of around minus 0.8, where minus 1 would indicate they would move in lockstep with the euro.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	78.5000	78.8000	79.2000	79.5000	79.6500	79.7800



Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	52525
High	52525
Low	51669
Close	51874
Value Change	-291
% Change	-0.56
Spread Near-Next	427
Volume (Lots)	5925
Open Interest	15492
Change in OI (%)	-3.69%

Gold - Outlook for the Day

Gold prices are likely to support around \$ 1760-50, where we can initiate long positions and trade positive for the day. It can test 1800 for the coming sessions.

BUY GOLD OCT (MCX) AT 51800 SL 51600 TARGET 52100/52350

Silver Market Update



Market View	
Open	58161
High	58232
Low	56609
Close	57364
Value Change	-618
% Change	-1.07
Spread Near-Next	2636
Volume (Lots)	20717
Open Interest	17950
Change in OI (%)	7.57%

Silver - Outlook for the Day

Silver too looks positive for the sessions and likely to take support around \$ 19.60-50 for the target of \$ 20.20-20.40.

BUY SILVER SEPT (MCX) AT 57000 SL 56400 TARGET 58000/58400



Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	79.345
High	79.4425
Low	79.04
Close	79.375
Value Change	-0.16
% Change	-0.2
Spread Near-Next	-0.6784
Volume (Lots)	3907013
Open Interest	3246710
Change in OI (%)	-1.23%

USDINR - Outlook for the Day

USDINR witnessed a gap down at 79.34 followed by a session in red in the fast half of the session marking the low at 79.44. The second session was followed by retracement, giving the closure in flat green at 79.37. USDINR has formed a flat green candle with closure in lower lows but is accompanied by long lower shadow indicating strength coming in around 78.90 levels. The pair has given closure below short and medium while holding support at long term SMA's on the daily chart. USDINR, if trades below 79.25, pair will head towards 79. Whereas, momentum above 79.52, will lead the pair to test the highs of 79.80 – 80. The daily strength indicator RSI and momentum oscillator Stochastic both are in positive zone with crossing their respective signal line thus indicating positive bias.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR July	78.7500	78.9500	79.2000	79.5200	79.6800	80.0000



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