India Bullion and Jewellers Associations Ltd. (IBJA) Since 1919

Daily Bullion Physical Market Report

Date: 13th January 2025

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	77908	78018
Gold	995	77596	77706
Gold	916	71364	71465
Gold	750	58431	58514
Gold	585	45576	45641
Silver	999	89969	90268

Rate as exclusive of GST as of 10th January 2025 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
10th January 2025	78018	90268
09th January 2025	77618	89800
08th January 2025	77364	89503
07th January 2025	77126	89474

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold($/oz)	FEB 25	2715.00	18.40	0.69
Silver($/oz)	MAR 25	31.31	0.32	1.06

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	871.08	0.00
iShares Silver	14,287.49	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix($/oz)	2679.45
Gold London PM Fix($/oz)	2687.45
Silver London Fix($/oz)	30.36

Bullion Futures DGCX

Description	Contract	LTP
Gold($/oz)	DEC 24	2716.6
Gold Quanto	DEC 24	78443
Silver($/oz)	DEC 24	31.19

Gold Ratio

Description	LTP
Gold Silver Ratio	86.70
Gold Crude Ratio	35.46

Weekly CFTC Positions

	Long	Short	Net
Gold($/oz)	195936	13552	182384
Silver	37739	20915	16824

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	19030.88	94.72	0.50%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
13th January 07:00 PM	United States	NO DATA	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold advanced on Friday as traders sought safety in the precious metal amid concerns over tariffs and inflation, even as a strong US jobs report supported the case for a pause in Federal Reserve interest-rate cuts. US hiring accelerated in December and the unemployment rate unexpectedly fell, capping another year of resilience in the jobs market, a Bureau of Labor Statistics report showed Friday. The print reaffirmed policymakers' view that the US central bank will adopt a more cautious approach to lower borrowing costs amid a still-healthy labor market and sticky inflation. Swap traders have now shifted their expectations for the Fed's next rate cut to the second half of the year, and 30-year Treasury yield rose above 5% for the first time for the first time in more than a year. While higher rates typically are a headwind for bullion as it pays no interest, gold traders continue to pile into the precious metal as they focused on other factors such as risks from potential tariffs by President-elect Donald Trump, stubborn inflation and rising US debt load.

❖ Zimbabwe's reserves backing the ZiG rose to $533 million as of Jan. 9, boosted by last year's record gold production, the Sunday Mail newspaper reported, citing central bank Governor John Mushayavanhu. The ZiG, short for Zimbabwe Gold and the nation's sixth attempt at a stable currency since 2009, is backed by gold, precious metals and foreign currency held by the central bank. Gold output jumped 20% to a record 36 tons in 2024 from a year earlier, and this year's target is 40 tons. "The boost in gold output has led to higher gold holdings needed to support and cover the ZiG," Reserve Bank of Zimbabwe Governor Mushayavanhu told the state-controlled publication. The central bank's vaults currently hold 2.67 tons of gold worth about $228 million, the governor added. The increase in gold production has been "vital" for the central bank to build reserves through royalties and foreign currency earnings from exports, the Harare-based weekly newspaper reported. Still, a local trade body warned last week that exchange rate volatility remains a risk for businesses, and said it expects the central bank to do more to build confidence in the ZiG after 43% of its value was wiped out last September. Mushayavanhu said the gap between the official and street exchange rates had narrowed significantly, helping ease volatility in the market. The ZiG fell in its first trading week against the dollar by about 0.84% on the official market, closing at 26.05 against the greenback on Jan. 10.

❖ The European Central Bank is considering pushing banks to use loan data from the region's historic banking crisis when predicting future credit defaults, a move that could result in lower capital strength for some of the affected lenders. Europe's top financial regulator floated the idea at a presentation in November, when it announced how it seeks to enforce a new piece of regulation ordering banks to use credit data that includes times of stress in their risk models, people familiar with the matter said. The ECB proposal was to define that as the period between 2008 and 2018, during which much of European banking and particularly Southern European countries went through deep crises, the people said. Some of the affected banks are irritated by the proposal as it could require them to ignore loan data from the most recent years, which were much more benign for the industry, several of the people said. Plugging the older data into their risk models would likely result in more pessimistic default predictions and potentially even reductions in regulatory capital ratios for them, they said. All asked not to be identified discussing the private information. Adoption of the ECB plan would likely stoke existing frictions between the regulator and the banks. While some officials at the regulator have grown frustrated with a perceived lack of responsiveness in parts of the industry to its supervisory demands, some of the banks under its jurisdiction have become weary of an approach they see as overly bureaucratic, Bloomberg has reported. The specter of laxer financial regulation in the US under the incoming Trump administration has added to the feeling among many EU banks that the financial regulation they're facing has become a competitive disadvantage.

❖ As the Federal Reserve unwinds its balance sheet, Wall Street strategists are looking to newly released transcripts from 2019 for clues on how officials last monitored for reserve scarcity and handled turmoil in US funding markets. The central bank is grappling with similar issues as it carries out a process knownas quantitative tightening, or QT, without causing stress in the market that underlies the US financial system. Back in 2019, a confluence of factors including reserve scarcity and QT led to a liquidity crunch, sending key lending rates skyrocketing and forcing the Fed to intervene to stabilize the market. Policymakers reiterated their intent to continue shrinking the balance sheet at last month's gathering. Meanwhile, market participants are paying close attention to the lowest comfortable level of reserves, which some have estimated between $3 trillion and $3.25 trillion, including a buffer. The recent reinstatement of the debt ceiling is also likely to make it more difficult for policymakers to judge that ideal level as the measures Treasury will take to remain under the cap tend to artificially add liquidity to the financial system and mask indicators of reserve scarcity.

❖ Economists at Bank of America Corp., Citigroup Inc. and Goldman Sachs Group Inc. pared back their forecasts for additional Federal Reserve interest-rate cuts in response to stronger-than-expected December US employment data released Friday. Bank of America, which previously expected two quarter-point reductions this year, no longer expects any, and said there's a risk the next move is a hike. Citigroup — whose rate-cut outlook is among Wall Street's most hopeful — still looks for five quarter-point cuts, but says they'll start in May, vs January previously. Goldman Sachs sees two cuts this year versus three. "After a very strong December jobs report, we think the cutting cycle is over," Bank of America economists led by Aditya Bhave wrote. "The conversation should move to hikes" in the event that inflation as measured by the annual growth rate of the price index for core personal consumer expenditures exceeds 3% and inflation expectations drift higher, they wrote. Since September, the Fed has lowered its target range for the US overnight lending rate by a total of 100 basis points to 4.25%-4.5%. At Citigroup, economists led by Andrew Hollenhorst and Veronica Clark said in a note they "are not particularly concerned about scenarios in which the Fed does not cut this year or considers hikes." While employment "is holding up better than we had expected, price and wage inflation are both cooling and should have official's comfortable cutting even in a still-strong economy," they wrote. Goldman Sachs economists led by Jan Hatzius predict rate cuts in June and December, and in June 2026. Their previous call was for moves in March, June and September, so they still forecast a terminal rate of 3.5%-3.75%.

Fundamental Outlook: Gold and silver prices are trading mix today on the international bourses. We expect precious metals prices on Indian bourses to trade range-bound to higher for the day, as gold prices held a four-day rally, with traders seeking refuge in the haven asset as risk-off sentiment swept markets on fresh uncertainty over the Federal Reserve's rate path.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	February	2645	2670	2690	2710	2730	2750
Silver – COMEX	March	30.20	30.50	30.70	31.00	31.30	31.50
Gold – MCX	February	77750	78000	78200	78300	78500	78800
Silver – MCX	March	90700	91500	92300	93000	93700	94400

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Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
109.65	0.09	0.08

Bond Yield

10 YR Bonds	LTP	Change
United States	4.7592	0.0700
Europe	2.5930	0.0280
Japan	1.2030	0.0190
India	6.7720	0.0080

Emerging Market Currency

Currency	LTP	Change
Brazil Real	6.1079	0.0713
South Korea Won	1471.3	11.5500
Russia Rubble	101.9166	-0.3471
Chinese Yuan	7.3326	0.0005
Vietnam Dong	25371	-11.0000
Mexican Peso	20.7161	0.2050

NSE Currency Market Watch

Currency	LTP	Change
NDF	86.45	0.2500
USDINR	86.1625	0.1300
JPYINR	54.41	-0.1925
GBPINR	106.0125	0.0325
EURINR	88.82	0.0625
USDJPY	158.04	0.4600
GBPUSD	1.2277	-0.0007
EURUSD	1.0294	-0.0027

Market Summary and News

- India's interbank rates remain elevated amid tight liquidity. India sold 220 billion rupees ($2.6 billion) of bonds at the weekly auction on Friday. RBI adds 2.25t rupees via a 14-day variable rate repo auction; adds INR500b through a four-day VRR sale. Weighted average call rate at 6.88% vs 6.83% earlier, CCIL data showed. The RBI needs to be more proactive in injecting liquidity, according to a Nomura note. We believe buy/sell swaps should be undertaken to inject INR liquidity and lower INR premia. Further CRR cuts can't be ruled out, and OMO purchases are becoming more likely. USD/INR rose 0.1% to new record closing high of 85.9738; up 0.2% so far this week. 10-year yields little changed at 6.77%. StanChart raises its end-2025 forecast for USD/INR to 87.75 from 85.50 previously, analysts including Anubhuti Sahay write in note. RBI has demonstrated higher tolerance for a weaker INR. Expects RBI to use its ammunition more judiciously given the high level of external uncertainty; effective import cover is down to 9.7 months from 12 months in Sept 2024. INR is still overvalued by 2.5%-3% on a REER basis and its relative depreciation versus peer currencies is still small.

- A Bloomberg gauge of the dollar rose after the release of the December jobs report, which showed the US economy adding the most jobs since March and led traders to dial back expectations of Federal Reserve interest-rate cuts. The Aussie dollar fell to its weakest mark since April 2020 after the data. The Bloomberg Dollar Spot Index gains as much as 0.6% to trade above 1320, fresh high since Nov. 2022, before paring advance. US nonfarm payrolls rose 256k in December (165k forecast); unemployment rate fell to 4.1% (4.2% expected). Yield 10-year Treasuries rises around 7bp to 4.77%; swaps markets now price next quarter-point Fed cut in September. "This is a report that is obviously a lot stronger than the markets were expecting, and they were already expecting a strong number," wrote Kyle Chapman, FX markets analyst at Ballinger Group, in a note. The Aussie dollar fell as much as 0.9% to 0.6140 day's low versus USD, weakest since April 2020. Swaps markets are pricing a 72% chance of a 25bp cut from the RBA when officials meet in February. "China's unimpressive growth outlook, the Fed's cautious easing stance and the RBA about to start cutting the policy rate in February can further weigh on AUD," said Elias Haddad, a senior market strategist at Brown Brothers Harriman. AUD/USD 1-week risk reversals trade at 66bp, puts over calls, most bearish Aussie this year. EUR/USD drops as much as 0.8% to 1.0215 session low, a fresh two-year weak point, before trimming losses. Euro 1-week risk reversals trade bearishly at 18bp, puts over calls, below the bottom of their range since December. USD/CAD gains 0.3% to 1.4430, with loonie trailing less than most G-10 after Canada's own strong jobs report led traders to pare bets on BOC easing. Swaps traders now pricing some 16bp of rate cuts on Jan. 29, compared to 20bp Thursday. USD/JPY falls 0.2% to 157.82 as yen leads G-10 FX on day, shrugging off US data as oil futures jump and US stocks slump in risk-off trading. Change in the outlook would be mainly down to a recent surge in the cost of rice and the weakening of the yen since the last outlook report in October. Money markets price in 15 basis points of interest-rate hikes for the Jan. 24 meeting, richer by five basis points on the day. The BOJ's "January meeting is uncertain but it's definitely live," wrote Jordan Rochester, head of macro strategy at Mizuho, in a note.

- Emerging-market stocks dropped after the latest US jobs report reinforced speculation that the Federal Reserve won't cut interest rates again until the second half of the year, souring appetite for risk assets. MSCI's emerging-market stocks index, which already entered correction territory Thursday, fell another 0.9% Friday. The MSCI China Index slipped more than 1%, extending its decline from an October high to around 20%. China's efforts to prop up financial markets have had a muted response. Gauge for developing currencies slumped 0.2% to the lowest level since July. The measure fell for a sixth consecutive week, the longest losing streak since 2022. Most developing currencies dropped as the dollar jumped following the jobs data. The Brazilian real, Mexican peso and South African rand led losses. Venezuela's Nicolas Maduro was sworn in for a third six-year term as the country's president. The US, EU and UK increased pressure on the regime, imposing new sanctions and increasing rewards for Maduro's arrest; A top Turkish central bank official pushed back against market expectations for sizable, consecutive reductions and said the pace of rate cuts will be based on the course of inflation.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	85.8275	85.8725	85.9225	86.0275	86.0725	86.1175

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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update

Market View	
Open	78302
High	78794
Low	78066
Close	78423
Value Change	319
% Change	0.41
Spread Near-Next	1352
Volume (Lots)	9326
Open Interest	11177
Change in OI (%)	-2.16%

Gold - Outlook for the Day

BUY GOLD FEB AT 78200 SL BELOW 77900 TARGET 78650/78800

Silver Market Update

Market View	
Open	91896
High	93643
Low	90889
Close	92506
Value Change	795
% Change	0.87
Spread Near-Next	1900
Volume (Lots)	26085
Open Interest	20689
Change in OI (%)	-10.19%

Silver - Outlook for the Day

BUY SILVER MARCH AT 92000 SL BELOW 91300 TARGET 92850/93300

India Bullion and Jewellers Associations Ltd. (IBJA) Since 1919

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update

Market View	
Open	86.0250
High	86.1775
Low	86.0100
Close	86.1625
Value Change	0.1300
% Change	0.1511
Spread Near-Next	-0.5711
Volume (Lots)	698866
Open Interest	3391863
Change in OI (%)	6.57%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 86.02, which was followed by a session where price showed strong buying from lower level with candle enclosure near high. A long green candle has been formed by the USDINR price while, price having major support of 10-days moving average placed at 85.97 levels. On the daily chart, the MACD showed a positive crossover above zero-line, while the momentum indicator RSI trailing at 77-82 levels shows slightly positive indications. We are anticipating that the price of USDINR futures will fluctuate today between 86.10 and 86.28.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR JAN	86.0275	86.0750	86.1125	86.2050	86.2475	86.2950

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