

## Daily Bullion Physical Market Report

Date: 15<sup>th</sup> July 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	72815	72664
Gold	995	72523	72373
Gold	916	66699	66560
Gold	750	54611	54498
Gold	585	42597	42508
Silver	999	92156	91827

Rate as exclusive of GST as of 12<sup>th</sup> July 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
12 <sup>th</sup> July 2024	72664	91827
11 <sup>th</sup> July 2024	72563	92204
10 <sup>th</sup> July 2024	72616	91793
09 <sup>th</sup> July 2024	72346	91847

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	AUG 24	2420.70	42.20	1.77
Silver(\$/oz)	SEPT 24	31.16	0.66	2.12

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	835.09	1.72
iShares Silver	13,549.48	0.00

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2404.15
Gold London PM Fix(\$/oz)	2406.85
Silver London Fix(\$/oz)	30.72

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	AUG 24	2417.6
Gold Quanto	AUG 24	73289
Silver(\$/oz)	SEPT 24	30.99

### Gold Ratio

Description	LTP
Gold Silver Ratio	77.68
Gold Crude Ratio	29.45

### Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	209035	17432	191603
Silver	56064	16261	39803

### MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18936.35	-66.49	-0.35 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
15 <sup>th</sup> July 06:00 PM	United States	Empire State Manufacturing Index	-8.0	-6.0	High
15 <sup>th</sup> July 09:30 PM	United States	Fed Chair Powell Speaks	-	-	High

## Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold hold above \$2,400 an ounce on Friday as investor expectations mount that the Federal Reserve is moving closer to cutting interest rates. A flurry of US economic data including the core consumer price index has signaled that US inflation is cooling, which could give Fed Chair Jerome Powell and his colleagues the confidence they'll need to cut rates. Activity in the federal funds futures market suggests that bond traders are ramping up bets that the Fed will cut rates by half a percentage point in September instead of the standard quarter-point increment. Lower rates tend to favor non-interest bearing gold. Bullion has rallied 17% this year despite headwinds including high interest rates and sticky inflation, thanks in part to strong central bank buying, investor demand and the metal's appeal as a haven asset during heightened political risks. Spot gold on Friday edged toward the record high of \$2,450.07 an ounce reached in May, reversing earlier declines after the Bureau of Labor Statistics published data on US producer prices.

□ Money managers have increased their bullish gold bets by 13,062 net-long positions to 191,603, weekly CFTC data on futures and options show. The net-long position was the most bullish in seven weeks. Long-only positions rose 17,087 lots to 209,035 in the week ending July 9. The long-only total was the highest in seven weeks. Short-only positions rose 4,025 lots to 17,432. The short-only total was the highest in six weeks. Money managers have increased their bullish silver bets by 7,331 net-long positions to 39,803, weekly CFTC data on futures and options show. The net-long position was the most bullish in eight weeks. Long-only positions rose 5,992 lots to 56,064 in the week ending July 9. The long-only total was the highest in five weeks. Short-only positions fell 1,339 lots to 16,261. The short-only total was the lowest in 16 weeks.

□ Exchange-traded funds added 113,222 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 4 million ounces, according to data compiled by Bloomberg. The purchases were equivalent to \$273.5 million at yesterday's spot price. Total gold held by ETFs fell 4.7 percent this year to 81.6 million ounces, the highest level since April 12. Gold advanced 17 percent this year to \$2,415.48 an ounce and by 1.9 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, boosted its holdings by 55,490 ounces in the last session. The fund's total of 26.8 million ounces has a market value of \$64.9 billion. ETFs cut 1.37 million troy ounces of silver from their holdings in the last trading session, bringing this year's net sales to 11.2 million ounces. This was the fourth straight day of declines.

□ Gold investors gave a standing ovation to this week's US CPI print, pushing prices back above \$2,400/oz to within striking distance of a record. More gains look set to follow. The upswing is the latest installment in what's already been a fascinating year for bullion. The commodity thrived in 1H despite the lack of evidence at that time that inflation was on the way down, with its strength attributed largely to mammoth central-bank buying. That theme remains very much intact (even if China has paused its accumulation in recent months) as numerous other monetary-policy guardians remain intent of grabbing more gold. Now, bullion's traditional drivers — US yields and the dollar — look set to play a greater role in price-setting over the course of 2H, underpinning further appreciation. And the Fed's pivot — both the anticipation that it'll happen, and when it finally comes — may just fire up investors' interest in bullion-backed ETFs.

□ Zimbabwe's banks support adopting the ZiG as the nation's sole currency before the current target date of 2030 provided the economic stability which the bullion-backed unit has delivered is maintained. Bankers Association of Zimbabwe President Lawrence Nyazema said the availability of the ZiG — which stands for Zimbabwe Gold — will improve as the nation boosts its foreign currency and bullion holdings. "We committed to coming up with a roadmap which would lead us to having a mono-currency by 2030," Nyazema said in an interview. "The pace can be expedited if we manage ZiG inflation and build reserves." The central bank has promised not to print more ZiG than can be backed by reserves. President Emmerson Mnangagwa last week hinted he wants to accelerate the southern African nation's return to just using its own currency, suggesting it could be done in the next two years. In October he extended dollar use until 2030. Zimbabwe launched the ZiG, backed by foreign currency and 2.5 tonnes of gold, in April in its latest effort to deliver a stable local currency. Reserves have risen to \$370 million from \$285 million at the unit's launch, according to the central bank. Consumer prices month-on-month were unchanged in June, which Nyazema called "a good start." Information Secretary Nick Mangwana wrote in an opinion piece on Thursday that reducing reliance on the dollar is an important step toward "regaining economic sovereignty." Previous efforts failed amid sky-high inflation and collapsing values against the greenback, which became the currency used for 80% of all transactions. ZiG notes are still hard to come by and citizens with bitter memories of previous local currencies prefer to keep doing business in dollars until they're convinced the ZiG will succeed. The ZiG was trading at 13.76 to the dollar on Friday, according to central bank data posted on its website.

**Fundamental Outlook:** Gold and silver prices are trading slightly lower today on the international bourses. We expect gold and silver prices to trade ranger-bound to slightly higher for the day, as gold prices edged lower on Monday as the dollar strengthened following an attempted assassination attempt on former US president and Republican contender Donald Trump over the weekend.

### Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	2360	2385	2410	2425	2450	2470
Silver – COMEX	September	30.60	30.85	31.10	31.35	31.65	31.90
Gold – MCX	August	72600	72850	73100	73350	73650	73900
Silver – MCX	September	91200	92000	92800	93600	94500	95200



## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
104.09	-0.61	-0.58

### Bond Yield

10 YR Bonds	LTP	Change
United States	4.1829	-0.0273
Europe	2.4940	0.0330
Japan	1.0650	-0.0250
India	6.9870	0.0040

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4292	-0.0094
South Korea Won	1375.35	3.0000
Russia Rubble	87.8818	0.1721
Chinese Yuan	7.2504	-0.0075
Vietnam Dong	25416	-11
Mexican Peso	17.6189	-0.1554

### NSE Currency Market Watch

Currency	LTP	Change
NDF	83.59	0.0000
USDINR	83.5475	-0.0625
JPYINR	52.405	0.6225
GBPINR	108.1025	0.6600
EURINR	90.9825	0.3575
USDJPY	158.5	-2.6400
GBPUSD	1.2955	0.0080
EURUSD	1.09	0.0040

### Market Summary and News

□ India's sovereign bonds and the rupee closed little changed as traders look forward to inflation data for clues on the path of interest rates. 10-year yields little changed at 6.99%; Yields moved lower by only 1bps on the week. "We're stuck in a range and waiting for more cues, with budget being the first one," says Pankaj Pathak, a fund manager for fixed income at Quantum Asset Management Co. "Not expecting too much of an upside move in yields from here, even if we remove foreign flows — which have moderated — due to strong domestic demand." "If we see a lower fiscal consolidation number in the upcoming budget than in February, that may send yields lower and will be a positive trigger for bonds." India sold 220 billion rupees of bonds as planned: RBI. Consumer prices probably rose 4.8% in June from a year earlier, compared with a 4.75% gain in the previous month, according to economists. Inflation is due after close of market hours. Inflation will likely be close to 5%, exceeding the Reserve Bank of India's target of 4%, Das said in an interview to CNBC-TV18 channel on Thursday. "We broadly expect the government to stay on the path of fiscal consolidation," Ajit Banerjee, chief investment officer of Shriram Life Insurance writes in a note. The pace of fiscal consolidation is unlikely to be impacted given the "fiscal room generated by the RBI dividend and buoyant tax collections." USD/INR little changed at 83.5350; the rupee edged lower by 0.1% on the week. The RBI drained INR95.8b through a 14-day variable rate reverse repo (VRRR) auction vs. a 1-trillion-rupee plan on Friday.

□ The dollar is set for its worst two-week slide of the year, sinking with Treasury yields Friday as traders up expectations for Federal Reserve interest-rate cuts this year. The yen was best performing currency over the week and remained active in the interbank market as speculation swirled about possible Bank of Japan intervention. The Bloomberg Dollar Spot Index drops 0.4%, falling for a third day to test its 200-DMA at 1249.73 for first time since May; it declined 0.9% on the week. The yield on 10-year Treasuries fell 3 to 4.18%, while 2-year Treasuries slide six basis points to 4.45%. Bloomberg's US Treasury Index is up 0.3% this year, reversing losses of as much as 3.4% back in April. Producer prices rose 0.2% in June from month prior, slightly above forecast and fueled by services. Univ. of Michigan sentiment survey was 66.0, below 68.5 forecast. Dollar implieds are lower across most tenors. "We continue to think that the pullback in the dollar will not be sustained over the medium term and should be shallow given the uncertain cyclical backdrop outside the US as well, and trade conflict risks from the US elections," write analysts at JPMorgan, noting they are "open-minded to a window of USD weakness." USD/JPY falls 0.6% to settle above its 55-DMA at 157.53 amid heavy interbank flows. Speculative and real money accounts were among the greenback buyers of the dip. Futures open interest fell back to June 21 levels as of business close Thursday. It touched 157.38 day low earlier after several market participants said the BOJ had called them for indicative pricing against the euro, reinforcing perceptions that authorities had intervened. EUR/USD up 0.4% to 1.0909, rises a third week; ECB will take a measured approach to lowering interest rates as political upheaval opens up a litany of risks to inflation's return to 2%, according to a Bloomberg survey of analysts. GBP/USD up 0.6% to 1.2991, a one-year high; a dearth of experies is above 1.30 heading into UK inflation data midweek. AUD/USD rises a fourth day, +0.4% to 0.6788; posts a five-week advance for the first time in two years. USD/CAD is little changed at 1.3633, just above its 200-DMA and May low of 1.3590; pair is down for a fifth week.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.4050	83.4625	83.5075	83.5525	83.5725	83.6150

## Nirmal Bang Securities - Bullion Technical Market Update

### Gold Market Update



Market View	
Open	73204
High	73292
Low	72919
Close	73269
Value Change	-42
% Change	-0.06
Spread Near-Next	427
Volume (Lots)	4855
Open Interest	12236
Change in OI (%)	-5.09%

### Gold - Outlook for the Day

**BUY GOLD AUG (MCX) AT 73100 SL 72850 TARGET 73400/73650**

### Silver Market Update



Market View	
Open	94011
High	94011
Low	92077
Close	93109
Value Change	-1081
% Change	-1.15
Spread Near-Next	2676
Volume (Lots)	20551
Open Interest	22985
Change in OI (%)	-4.73%

### Silver - Outlook for the Day

**BUY SILVER SEPT (MCX) AT 92800 SL 92000 TARGET 93800/94500**

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

**USDINR Market Update**



Market View	
Open	83.5800
High	83.5900
Low	83.5200
Close	83.5475
Value Change	-0.0625
% Change	-0.0748
Spread Near-Next	-0.2205
Volume (Lots)	101891
Open Interest	2477273
Change in OI (%)	-0.15%

**USDINR - Outlook for the Day**

The USDINR future witnessed a gap-down opening at 83.58, which was followed by a session where price shows consolidation with negative buyer candle closures near low. A small red candle formed by the USDINR price where price closed around short-term moving averages. The pair has trading in choppy range from last one month. On the daily chart, the MACD showed a negative crossover above zero-line, while the momentum indicator, RSI trailing between 49-53 levels showed positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.50 and 83.60.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR JULY	83.47425	83.4750	83.5075	83.5725	83.6150	83.6475



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