

Daily Bullion Physical Market Report

Date: 16th January 2025

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	78269	78424
Gold	995	77956	78110
Gold	916	71694	71836
Gold	750	58702	58818
Gold	585	45787	45878
Silver	999	88908	89550

Rate as exclusive of GST as of 15th January 2025 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
15 th January 2025	78424	89550
14 th January 2025	78028	88730
13 th January 2025	78308	89800
10 th January 2025	78018	90268

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 25	2717.80	35.50	1.32
Silver(\$/oz)	MAR 25	31.53	1.18	3.89

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	872.52	-2.00
iShares Silver	14,458.88	144.48

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2686.60
Gold London PM Fix(\$/oz)	2677.70
Silver London Fix(\$/oz)	29.99

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2718.9
Gold Quanto	DEC 24	78730
Silver(\$/oz)	DEC 24	31.63

Gold Ratio

Description	LTP
Gold Silver Ratio	86.19
Gold Crude Ratio	33.96

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	206713	12214	194499
Silver	42539	16930	25609

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18976.10	230.43	1.21%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
16 th January 07:00 PM	United States	Core Retail Sales m/m	0.5%	0.2%	High
16 th January 07:00 PM	United States	Retail Sales m/m	0.6%	0.7%	High
16 th January 07:00 PM	United States	Unemployment Claims	210K	201K	High
16 th January 07:00 PM	United States	Philly Fed Manufacturing Index	-5.2	-16.4	Medium
16 th January 07:00 PM	United States	Import Prices m/m	-0.1%	0.1%	Low
16 th January 08:30 PM	United States	Business Inventories m/m	0.1%	0.1%	Low
16 th January 08:30 PM	United States	NAHB Housing Market Index	45	46	Low
16 th January 09:30 PM	United States	FOMC Member Williams Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold extended gains on Wednesday after a key inflation report showed price pressures rose less than expected in December, boosting expectations that the Federal Reserve will be able to cut interest rates this year. The so-called core consumer price index — which excludes food and energy costs — increased 0.2% after rising 0.3% four straight months, Bureau of Labor Statistics figures showed Wednesday. From a year ago, it rose 3.2%. Economists see the core gauge as a better indicator of the underlying inflation trend than the overall CPI that includes often-volatile food and energy costs. The easing came after months of faster underlying inflation that prompted the Fed to signal a pause in lowering borrowing costs. Treasury yields and the dollar slipped right after the economic readings, helping sending bullion higher by as much as 0.6%. Lower rates typically benefit the precious metal as it pays no interest. Swap traders now price in a July cut compared with previous expectations of a September cut.

□ Exchange-traded funds added 52,221 troy ounces of gold to their holdings in the last trading session, bringing this year's net purchases to 380,625 ounces, according to data compiled by Bloomberg. This was the sixth straight day of growth, the longest winning streak since Nov. 26. The purchases were equivalent to \$139.8 million at yesterday's spot price. Total gold held by ETFs rose 0.5 percent this year to 83.2 million ounces, the highest level since Nov. 26. Gold advanced 2 percent this year to \$2,677.46 an ounce and by 0.5 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 64,610 ounces in the last session. The fund's total of 28.1 million ounces has a market value of \$75.1 billion. ETFs also added 208,873 troy ounces of silver to their holdings in the last trading session, bringing this year's net sales to 2 million ounces. This was the third straight day of growth.

□ Gold has been defying a stronger dollar and higher rates since the start of the year and rebounding ETF holdings may help it sustain its advance. Colleague Michael Ball notes gold is holding up nicely despite the dollar paring back a chunk of its post-CPI losses. Its resilience looks especially at odds with an apparent ceasefire deal that has emerged between Israel and Hamas, which should sap the metal's safe-haven appeal. Inflation data aside, one key factor that looks to be helping gold this year is the return of ETF buying. Holdings in exchange-traded funds backed by physical bullion have risen in seven out of the past 9 sessions, Bloomberg data show. Total gold held by ETFs rose 0.5% this year to 83.2 million ounces, the highest level since late November. More demand in anticipation of Trump's second term, coupled with continued buying from central banks including China, are poised to keep gains in gold going.

□ Economic activity increased "slightly to moderately" across the US in late November and December, supported by strong holiday sales, the Federal Reserve said in its Beige Book survey of regional business contacts. Contacts were more optimistic than pessimistic about the outlook for 2025, though several expressed concerns about the potential impact of changes in immigration and tariff policy. A number of manufacturers reported stockpiling inventories in anticipation of higher levies, according to the Fed report released Wednesday. Employment edged higher on balance in the period, with half of the 12 Fed districts reporting a slight increase in hiring. Six regions reported no change. Wage growth picked up in most areas. "Contacts in several service industries, notably healthcare, continued to see job growth," the report said. Manufacturing employment, however, was flat. Prices, meanwhile, increased "modestly overall." Firms expect prices to continue to rise this year, with some flagging new tariffs could contribute to price increases. "Most districts reported modest increases in selling prices, though there were instances of flat or decreasing prices as well, particularly in the retail and manufacturing sectors," the report said. The Beige Book, which was compiled by the Federal Reserve Bank of Chicago using information gathered on or before Jan. 6, includes anecdotes and commentary on business conditions in each of the 12 Fed districts. The report notes this was before the recent wildfires in the Los Angeles area. Recent economic data has pointed to strong hiring and encouraging inflation signals. Data out earlier Wednesday showed a key gauge of underlying inflation decelerated for the first time in six months. The Beige Book is one of the regular economic briefing documents officials get before their policy meeting. Fed officials next meet Jan. 28-29. Futures markets show almost no probability of a reduction in the benchmark lending rate at that gathering.

Fundamental Outlook: Gold and silver prices are trading slightly higher today on the international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly higher for the day, as gold prices held a two-day advance, after a surprise slowdown in US inflation revived expectations for Federal Reserve rate cuts this year.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	February	2670	2700	2720	2740	2765	2785
Silver – COMEX	March	31.00	31.30	31.50	31.65	31.85	32.00
Gold – MCX	February	78300	78600	78800	79000	79200	79500
Silver – MCX	March	91000	91700	92500	93000	93800	94300

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
109.09	-0.18	-0.17

Bond Yield

10 YR Bonds	LTP	Change
United States	4.6531	-0.1393
Europe	2.5590	-0.0910
Japan	1.2560	0.0090
India	6.8140	-0.0080

Emerging Market Currency

Currency	LTP	Change
Brazil Real	6.0131	-0.0411
South Korea Won	1455.75	-5.5000
Russia Rubble	102.5686	-0.6189
Chinese Yuan	7.3319	0.0008
Vietnam Dong	25387	-2.0000
Mexican Peso	20.4648	-0.0461

NSE Currency Market Watch

Currency	LTP	Change
NDF	86.7	-0.0100
USDINR	86.5025	-0.1950
JPYINR	55.5225	0.7575
GBPINR	105.7375	0.1125
EURINR	89.16	0.1600
USDJPY	156.68	-0.9500
GBPUSD	1.2225	0.0041
EURUSD	1.0385	0.0119

Market Summary and News

□ India's rupee has received a slight boost after data showed the trade deficit narrowed in December — that's a welcome breather after the currency's recent weakness. The rupee gains, however, can only be sustained if policymakers deliver much needed economic stimulus. That's because a sharp rise in crude oil prices due to US sanctions on Russia's oil trade is likely to push up India's net oil import bill and trade deficit over the next few months. As such, turning the tide on the rupee requires coordinated fiscal and monetary stimulus to spur the growth needed to revive investor sentiment and drive capital inflows. The trade deficit narrowed to \$21.9 billion in December from \$31.8 billion in November. The reading was sharply lower than both the consensus forecast of \$25.6 billion and our estimate of \$27.2 billion. Imports fell to \$59.9 billion from \$63.9 billion in the previous month. This was driven by gold imports dropping to \$4.7 billion, down from \$9.8 billion in November. Oil imports also eased slightly. Imports of goods other than oil and gold increased less than the typical seasonal gain for the month, which points to a weak domestic economy. Exports increased to \$38.0 billion from \$32.0 billion in November. Exports of goods other than petroleum products increased to \$33.1 billion, a slightly faster pace than typically seen during the month and up from \$28.4 billion in November. This suggests robust external demand, belying fears of an external slowdown amid uncertainty related to propose US tariffs from the incoming Trump administration. Oil exports also registered an increase. The rupee has weakened 2.2% against the dollar since the start of December, making it one of the worst performing Asian currencies. It gained 0.33% after the better than expected trade data, having hit a record low of 86.6 against the dollar on Jan. 14.

□ India's rupee gained the most in seven months, buoyed by a weaker dollar and a lower-than-expected trade deficit number. Bond yields eased amid expectations of liquidity-boosting steps by the central bank. USD/INR fell 0.3% to close at 86.3625, the sharpest single-day fall since June 3, 2024. "The rupee snapped a five-day losing streak amid central bank interventions and as the dollar retraced," says Dilip Parmar, currency analyst, HDFC Securities. India reported a trade deficit of \$21.94 billion in December, lower than a \$25.6 billion forecast by economists in a Bloomberg survey. Rupee outperformed peers on a "relief rally" after the recent sharp depreciation, helped by the RBI's intervention, says Kotak Securities. NOTE: Rupee weakened more than 0.7% versus the dollar over the past two days amid strong US jobs data and rallying oil prices. 10-year yields fell 1bp to 6.81%. RBI's focus will be on ensuring currency stability and easing liquidity deficit in the banking system, says Puneet Pal, head of fixed income, PGIM India Mutual Fund. May not be effective for RBI to cut rates without addressing tight liquidity as transmission of lower policy rates would be hampered; Expects 10-year bond yield to trade in a range of 6.75-7.00% over the next couple of months; Banking system liquidity was in a deficit of 1.96 trillion rupees (\$22.68 billion) as of Jan. 14, according to a Bloomberg index.

□ A Bloomberg gauge of the dollar pared losses as "dip buyers" emerged, after softer-than-expected US core consumer inflation data sent the measure to a one-week low. The yen jumped more than 1% versus the greenback, extending gains seen in Asian trading after comments from Bank of Japan Governor Kazuo Ueda. The Bloomberg Dollar Spot Index drops 0.2% after falling 0.6% to the lowest since Jan. 8. "Plenty of dip buyers," Brad Bechtel, global head of foreign exchange at Jefferies, said as the dollar eased losses. "Real money hedgers that have USD risk are feeling overhedged, and those that have foreign currency risk are feeling underhedged, and they seem to be quite active on these oscillations." Headline CPI rose 0.4% MoM as expected; core CPI increased 0.2% versus 0.3% forecast. "The economy left to itself is just chugging along," David Kelly, chief global strategist at JPMorgan Asset Management, told Bloomberg TV. "Steady growth, unemployment very steady and inflation gradually coming down." Treasury yields in the three to 10-year sectors fell more than 10bp on session. Yen set for best day this year; USD/JPY falls as much as 1.3% to 155.95 low, before easing drop. Governor Ueda said he heard encouraging views on wages during new-year events by various industries and the central bank's recent branch managers' meeting. Deputy Ryozi Himino suggested an interest-rate hike may happen next week. Swaps traders are pricing about a 73% chance of a hike on Jan. 24, up from some 40% at the beginning of the year. "Barring any significant negative economic surprises around Trump's inauguration on Jan. 20 or possible riskoff movement toward the policy meeting, the BOJ is likely to decide on a rate hike next week," Nomura's economics research team writes in a note. Real money among buyers of yen after CPI: trader. EUR/USD reverses gains, falls 0.1% to 1.0294; USD/CHF steady at 0.9125. One-week implied vol on EUR/USD pair pulls back from Tuesday high, which was the most since Nov; trades at 10.58 vol. Hedge funds and corporates among euro sellers after US CPI: trader. GBP/USD pares gain, rises 0.1% to 1.2231. Earlier, the currency pair whipsawed after data showed UK inflation unexpectedly cooled for the first time in three months in December.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	86.0575	86.1525	86.2525	86.4275	86.5325	86.6075

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	78325
High	78736
Low	78241
Close	78710
Value Change	554
% Change	0.71
Spread Near-Next	1275
Volume (Lots)	4920
Open Interest	10324
Change in OI (%)	2.26%

Gold - Outlook for the Day

BUY GOLD FEB (MCX) AT 78600 SL 78300 TARGET 79000/79200

Silver Market Update



Market View	
Open	90860
High	92960
Low	90510
Close	92856
Value Change	2300
% Change	2.54
Spread Near-Next	1864
Volume (Lots)	17790
Open Interest	21024
Change in OI (%)	-3.97%

Silver - Outlook for the Day

BUY SILVER MARCH (MCX) AT 92500 SL 91700 TARGET 93500/94000

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	86.6650
High	86.6675
Low	86.4150
Close	86.5025
Value Change	-0.1950
% Change	-0.2249
Spread Near-Next	-0.9111
Volume (Lots)	502585
Open Interest	3142224
Change in OI (%)	-1.97%

USDINR - Outlook for the Day

The USDINR future witnessed a gap-up opening at 86.66, which was followed by a session where price showed selling pressure from high level with candle enclosure near low. A red candle has been formed by the USDINR price while, price having support of 10-days moving average placed at 86.24 levels. On the daily chart, the MACD showed a positive crossover above zero-line, while the momentum indicator RSI moving south shows negative slightly negative indications. We are anticipating that the price of USDINR futures will fluctuate today between 86.40 and 86.55.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR JAN	86.2875	86.3550	86.4225	86.5750	89.6375	87.6850

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