

Daily Bullion Physical Market Report

Date: 17th January 2025

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	78718	79184
Gold	995	78403	78867
Gold	916	72106	72533
Gold	750	59039	59388
Gold	585	46050	46323
Silver	999	91218	91784

Rate as exclusive of GST as of 16th January 2025 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
16 th January 2025	79184	91784
15 th January 2025	78424	89550
14 th January 2025	78028	88730
13 th January 2025	78308	89800

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 25	2750.90	33.10	1.22
Silver(\$/oz)	MAR 25	31.73	0.19	0.62

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	872.52	0.00
iShares Silver	14,458.88	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2707.45
Gold London PM Fix(\$/oz)	2716.50
Silver London Fix(\$/oz)	30.71

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2747.8
Gold Quanto	DEC 24	79246
Silver(\$/oz)	DEC 24	31.65

Gold Ratio

Description	LTP
Gold Silver Ratio	86.71
Gold Crude Ratio	34.96

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	19202.58	80.01	0.42%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
17 th January 07:00 PM	United States	Building Permits	1.46M	1.49M	Medium
17 th January 07:00 PM	United States	Housing Starts	1.33M	1.29M	Low
17 th January 07:45 PM	United States	Capacity Utilization Rate	77.0%	76.8%	Low
17 th January 07:45 PM	United States	Industrial Production m/m	0.3%	-0.1%	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold climbed to the highest in a month on Thursday after a surprise slowdown in US inflation revived expectations for Federal Reserve rate cuts this year. Bullion traded at over \$2,700 an ounce after the consumer price index — which excludes food and energy costs — rose 0.2% following four months of 0.3% gains. That signaled US officials may have room to ease policy sooner than previously thought. Treasury yields and the dollar fell after the print; boosting bullion's allure as it does not generate interest and becomes cheaper for most buyers when the greenback weakens. Swap traders are now back to fully pricing in a rate cut by July — a shift after Friday's hot jobs data saw the market push back expectations for easing to either September or October. A clutch of Fed officials on Wednesday expressed confidence that price pressures would continue to ebb, but some warned that the battle against inflation isn't finished yet. Easing monetary policy was a major catalyst for the precious metal's rally to a record last year. Spot gold rose 0.4% at \$2,708.11 an ounce in London, following a 0.7% gain in the previous session. The Bloomberg Dollar Spot Index added 0.1%.

□ Precious metals may be breaking free from their traditional inverse relationship with the greenback, reinforcing their role as a hedge against both inflation and even dollar volatility. The inverse correlation between the Bloomberg Commodity Precious Metals subindex and the Bloomberg Dollar Spot Index has softened to its weakest since 2022. That year marked a rare period when both indexes moved in tandem, a phenomenon not seen in nearly two decades, driven by uncertainty over the pace of Federal Reserve interest-rate hikes. Now, with the debate shifting to how quickly rates might be cut, precious metals and the dollar have been moving in the same direction since the beginning of the year. Gold and silver are leading the charge, with the latter up nearly 7% this year and gold not far behind at a ~3% gain.

□ Exchange-traded funds cut 4,158 troy ounces of gold from their holdings in the last trading session, bringing this year's net purchases to 376,467 ounces, according to data compiled by Bloomberg. The sales were equivalent to \$11.2 million at yesterday's spot price. Total gold held by ETFs rose 0.5 percent this year to 83.2 million ounces. Gold advanced 2.7 percent this year to \$2,696.32 an ounce and by 0.7 percent 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 28.1 million ounces has a market value of \$75.6 billion. ETFs added 4.7 million troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 2.7 million ounces. This was the fourth straight day of growth.

□ Federal Reserve Governor Christopher Waller said the US central bank could lower interest rates again in the first half of 2025 if inflation data continue to be favorable. "The inflation data we got yesterday was very good," Waller said Thursday in an appearance on CNBC, referring to fresh figures that showed a cool down in underlying price pressures last month. "If we continue getting numbers like this, it's reasonable to think rate cuts could happen in the first half of the year," he said, adding that he wouldn't entirely rule out a cut in March. If future inflation figures fall in-line with December's positive report, Waller said the Fed may cut more this year and sooner than investors are currently expecting. "I'm optimistic that this disinflationary trend will continue and we'll get back closer to 2% a little quicker than maybe others are thinking," he said. The Fed aims for 2% inflation. The policy-sensitive yield on two-year Treasury notes dropped to a session low of 4.25% following Waller's comments, and traders priced in a little more easing for Fed meetings. The May meeting is now a coin-toss in investors' eyes. This year's first full cut is priced for the Fed's meeting in July, and for all of 2025, about 40 basis points of cuts are now priced, up from 34 basis points earlier. Waller said officials' median estimate of the so-called neutral policy rate; one that neither encourages nor inhibits economic growth, implies that three or four cuts this year are possible, depending on incoming data. "It just hinges on the data," he said. "If the data doesn't cooperate, then you're going to be back to two, maybe even one if we just get a lot of sticky inflation."

Fundamental Outlook: Gold and silver prices are trading slightly lower 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 were on course for a third weekly gain after softer-than-expected US inflation saw investors reboot bets on the Federal Reserve easing further this year.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	February	2680	2715	2740	2750	2770	2800
Silver – COMEX	March	31.00	31.30	31.50	31.65	31.85	32.00
Gold – MCX	February	78450	78750	79000	79400	79650	79800
Silver – MCX	March	91000	91700	92500	93000	93800	94300

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
108.96	-0.13	-0.12

Bond Yield

10 YR Bonds	LTP	Change
United States	4.6125	-0.0406
Europe	2.5440	-0.0140
Japan	1.2070	-0.0490
India	6.7480	-0.0650

Emerging Market Currency

Currency	LTP	Change
Brazil Real	6.0547	0.0416
South Korea Won	1458.25	2.5000
Russia Rubble	103.6869	1.1183
Chinese Yuan	7.3316	-0.0003
Vietnam Dong	25379	-8.0000
Mexican Peso	20.8441	0.3793

NSE Currency Market Watch

Currency	LTP	Change
NDF	86.84	-0.0400
USDINR	86.6725	0.1700
JPYINR	55.76	0.2375
GBPINR	105.75	0.0125
EURINR	89.1525	-0.0075
USDJPY	155.54	-1.1400
GBPUSD	1.2204	-0.0021
EURUSD	1.0298	-0.0087

Market Summary and News

- Indian bond traders are watching a 360 billion rupees (\$4.2 billion) sovereign bond auction to gauge the demand for debt amid tight cash conditions. 10-year yields fell 7bps to 6.75% on Thursday after the Reserve Bank of India announced daily variable rate repurchase operations to support liquidity. Core liquidity, which accounts for banking system cash and the government's cash balance, is at a deficit of 600 billion rupees, says Gaura Sengupta, chief economist, IDFC First Bank. Estimates liquidity drain from RBI FX selling at 2.3 trillion rupees in April-Dec; RBI will need to infuse durable liquidity of more than 3 trillion rupees. Central bank's options include bond purchases, FX swaps, and incremental cut in lenders' cash reserve ratio. Given large quantum of liquidity injection required, central bank may need to use multiple tools. USD/INR rises 0.2% to 86.5500 on Thursday. Implied opening from forwards suggest spot may start trading around 86.57. Barclays raises USD/INR forecast to 89.50 by end-2025 from 87 earlier. INR overvaluation, a growing RBI forward book, and broad USD strength likely to weaken rupee; Global Funds Sell Net 43.4B Rupees of Indian Stocks Jan. 16: NSE. They sold 8.81 billion rupees of sovereign bonds under limits available to foreign investors, and withdrew 3.79 billion rupees of corporate debt. State-run banks sold 39.1 billion rupees of sovereign bonds on Jan. 16: CCIL data. Foreign banks bought 7.2 billion rupees of bonds.
- A Bloomberg gauge of the dollar pared gains as Treasury yields fell after dovish comments from Fed Governor Christopher Waller. The yen headed for its best two-day run since November following a Bloomberg report that Bank of Japan officials see a good chance of a rate hike next week. The Bloomberg Dollar Spot Index was up 0.1% following a 0.2% drop Wednesday after the US CPI report. Waller said officials could lower interest rates in the first half of 2025 should inflation data continue to be favorable, also flagging possibility of a move in March. Treasury yields fall across curve after Waller remarks and tracking gilts; 10-year yield down 4.9bp to 4.60%. Treasury Secretary Nominee Scott Bessent said the US faces an economic crisis if Trump-era 2017 tax cuts aren't extended. Bessent also said in confirmation hearing that FX movements could mitigate impact of Trump tariffs and that he would support sanctioning Russia oil majors. One-week implied vol in BBDXY rises to highest since US election as traders position for Trump's inauguration Monday. USD/JPY down 0.7% to 155.37 and lowest since Dec. 19 intraday; BOJ policymakers acknowledge the likelihood of a rate hike this month, provided incoming Trump administration doesn't rattle markets. Money markets now price an 84% chance the BOJ tightens policy by a quarter points at end of meeting on Jan. 24. Offshore leveraged accounts faded the yen's move through 155.50, a Europe-based trader says. Loonie and Norway's krone lead G-10 losses on session as oil slips from recent highs; USD/CAD up 0.4% at 1.4391, USD/NOK rises 0.3% at 11.3611. GBP/USD slips 0.1% to 1.2228 after data showed Britain's economy narrowly returned to growth in November but fell short of expectations. Cable vol skew shifts higher this week yet remains deeply in bearish territory for sterling. EUR/USD gains less than 0.1% to 1.0297; franc outperforming on day as USD/CHF falls 0.2% to 0.9111. Inflation in the euro area is under control, European Central Bank Governing Council member Mario Centeno said.
- Currencies from Latin America dropped on Thursday as anticipation over US President-elect Donald Trump's trade policies continued to drive volatility for risk assets. MSCI's gauge for developing-nation currencies traded mixed throughout the session, though end-of-day adjustments left it some 0.1% higher; a dollar index inched 0.1% higher. Mexico's peso, a bellwether for EM risk sentiment, was among the biggest EMFX losers as traders fled to safety. Chile's peso was also among the biggest losers in EM, sliding in spite of a rise in copper prices; Brazil's real dropped versus the dollar. EM equities index rose 1%; Taiwan Semiconductor Manufacturing Co. sales came in ahead of analysts' estimates, also fueling a rise in Taiwan's dollar. Traders waded through Fed speak; Federal Reserve Governor Christopher Waller said that the US could lower interest rates again in 1H25 if inflation data continue to be favorable. Investors also eyed Treasury Secretary-nominee Scott Bessent's remarks; he said Trump policies will increase real wages, bring inflation closer to the Fed's 2% target. Traders see Trump's tariff pledges as inflationary, which may strengthen the dollar and push the Fed to keep borrowing costs higher for longer.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	86.3575	86.4025	86.4525	86.6075	86.6525	86.7075

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	78700
High	79270
Low	78700
Close	79226
Value Change	516
% Change	0.66
Spread Near-Next	1223
Volume (Lots)	5778
Open Interest	10946
Change in OI (%)	5.68%

Gold - Outlook for the Day

BUY GOLD FEB (MCX) AT 79000 SL 78750 TARGET 79400/79650

Silver Market Update



Market View	
Open	93001
High	93660
Low	92703
Close	92803
Value Change	-53
% Change	-0.06
Spread Near-Next	1948
Volume (Lots)	12491
Open Interest	20787
Change in OI (%)	-1.14%

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	86.5025
High	86.6800
Low	86.4500
Close	86.6725
Value Change	0.1700
% Change	0.1965
Spread Near-Next	-1.0811
Volume (Lots)	409144
Open Interest	3151775
Change in OI (%)	0.30%

USDINR - Outlook for the Day

The USDINR future witnessed a gap-up opening at 86.50, which was followed by a session where price showed buying pressure from lower level with candle enclosure near high. A green candle has been formed by the USDINR price while, price having support of 10-days moving average placed at 86.32 levels. On the daily chart, the MACD showed a positive crossover above zero-line, while the momentum indicator RSI trailing in over-bought level shows slightly positive indications. We are anticipating that the price of USDINR futures will fluctuate today between 86.56 and 86.76.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR JAN	86.5075	86.5550	86.6025	86.7550	89.8075	87.8550

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