

## Daily Bullion Physical Market Report

Date: 18<sup>th</sup> December 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	76584	76362
Gold	995	76277	76056
Gold	916	70151	69948
Gold	750	57438	57272
Gold	585	44802	44672
Silver	999	89001	88525

Rate as exclusive of GST as of 17<sup>th</sup> December 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
17 <sup>th</sup> December 2024	76362	88525
16 <sup>th</sup> December 2024	76908	89515
13 <sup>th</sup> December 2024	76922	89976
12 <sup>th</sup> December 2024	78147	93300

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 25	2662.00	-8.00	-0.30
Silver(\$/oz)	MAR 25	30.92	-0.14	-0.44

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	864.19	0.29
iShares Silver	14,261.20	14.17

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2641.60
Gold London PM Fix(\$/oz)	2636.35
Silver London Fix(\$/oz)	30.31

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2662.5
Gold Quanto	DEC 24	76891
Silver(\$/oz)	DEC 24	30.95

### Gold Ratio

Description	LTP
Gold Silver Ratio	86.09
Gold Crude Ratio	37.99

### Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	236267	16078	220189
Silver	47587	16902	30685

### MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18815.38	-57.44	-0.31 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
18 <sup>th</sup> December 07:00 PM	United States	Building Permits	1.43M	1.42M	Medium
18 <sup>th</sup> December 07:00 PM	United States	Housing Starts	1.35M	1.31M	Low
18 <sup>th</sup> December 07:00 PM	United States	Current Account	-286B	-267B	Low
19 <sup>th</sup> December 12:30 AM	United States	Federal Funds Rate	4.50%	4.75%	High
19 <sup>th</sup> December 12:30 AM	United States	FOMC Economic Projections	-	-	High
19 <sup>th</sup> December 12:30 AM	United States	FOMC Statement	-	-	High
19 <sup>th</sup> December 01:00 AM	United States	FOMC Press Conference	-	-	High

## Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold slipped on Tuesday along with most commodities and equity markets, as traders face a rush of interest-rate decisions by major central banks, including the US Federal Reserve. Bullion traded near \$2,640 an ounce, after notching a modest gain in the previous session as investors parsed mixed US data. Activity at US service providers expanded at the fastest pace since October 2021; while a measure of New York State factory activity retreated. The Fed makes its final policy decision of the year on Wednesday, followed by announcements in Japan and the UK this week. Interest-rate swaps are almost fully pricing in a quarter-point cut in the US, and traders will focus on policymakers' language for clues on the 2025 outlook. Lower rates are typically positive for gold, which doesn't pay interest. The precious metal has risen by more than 28% this year, putting it on track for its biggest annual gain since 2010. Its strength has been supported by easing in the US, safe-haven demand and sustained buying by the world's central banks. The value of Indian gold imports surged to a record in November after the government cut customs levies.

□ Exchange-traded funds cut 272,558 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 2.92 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$723 million at yesterday's spot price. Total gold held by ETFs fell 3.4 percent this year to 82.7 million ounces, the lowest level since Aug. 22. Gold advanced 29 percent this year to \$2,652.72 an ounce and by 0.2 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, boosted its holdings by 9,240 ounces in the last session. The fund's total of 27.8 million ounces has a market value of \$73.7 billion. ETFs also cut 10.4 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 11.4 million ounces. This was the biggest one-day decrease since March 17, 2023 and the fourth straight day of declines.

□ European Central Bank interest rates will continue to head lower as inflation starts to stabilize around the 2% goal, according to its Governing Council member Olli Rehn. "The direction of our monetary policy is now clear," Rehn said Tuesday in Helsinki. "The speed and scale of the rate cuts will be determined in each meeting on the basis of incoming data and comprehensive analysis." ECB policymakers are determining how quickly and how far to lower borrowing costs in 2025 after four quarter-point moves this year. With inflation now almost back at target, analysts reckon the deposit rate will be decreased to 2%, from 3% now, by mid-next year. Investors see a slightly more aggressive loosening campaign, ending at about 1.75%. Rehn's remarks echo those of Executive Board Member Isabel Schnabel, who said late Monday that reductions in rates can continue as confidence in inflation moderating to 2% rises. She stressed, though, that further moves should be gradual — a term used by several policymakers that's understood to mean quarter-point increments. Slovak central-bank Governor Peter Kazimir reiterated Tuesday that he backs only gradual moves at the ECB's upcoming meetings, saying he considers inflation risks to now be "well balanced." "Once we reach around 2.5%, we'll start seriously considering the issue of the neutral rate, and whether we should shift from a restrictive policy to a more neutral or accommodative stance," he said.

□ UK wage growth accelerated for the first time in more than a year, prompting traders to scale back bets on Bank of England interest-rate cuts. The pickup in pay growth excluding bonuses to 5.2% in the three months through October came on the back of a surge in private-sector wages, the Office for National Statistics said on Tuesday. It was the first acceleration since August 2023 and well above the 5% economists were expecting. Money markets unwound bets on rate cuts after the shock figures. The implied chance of three quarter-point cuts in 2025 fell to around 55%, down from 90% before the report. The pound erased a small loss to trade 0.2% stronger at \$1.2707. Private-sector regular pay growth, the gauge most closely watched by the BOE, jumped much faster than expected to 5.4% from 4.9%. The central bank was forecasting an increase to 5.1% for the three months to December. There were large pay rises in the construction and finance and business services sectors. Inflation-busting public-sector pay awards announced by the new Labour government after winning the July general election are expected to begin feeding into the official figures from next month, the ONS said. In October, public-sector pay growth slowed to 4.3% from 4.7%. The surprise earnings data comes just ahead of Thursday's rate decision by the Monetary Policy Committee. It is widely expected to keep policy on hold at 4.75%, a position reinforced by the pay data as officials continue to worry about lingering pressures in the labor market.

**Fundamental Outlook:** Gold and silver prices are trading slightly lower today on the international bourses. We expect gold and silver prices to trade range-bound to slightly lower for the day; as gold prices held a decline ahead of the Federal Reserve's upcoming rate decision, with traders watching for clues about next year's monetary-policy path.

### Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2610	2640	2665	2685	2710	2740
Silver – COMEX	December	30.40	30.60	30.90	31.10	31.35	31.60
Gold – MCX	December	76450	76700	76900	77100	77400	77650
Silver – MCX	December	89000	89800	90500	91100	91800	92500

### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar Index

LTP/Close	Change	% Change
106.96	0.10	0.09

#### Bond Yield

10 YR Bonds	LTP	Change
United States	4.3987	0.0020
Europe	2.2290	-0.0170
Japan	1.0840	0.0130
India	6.7590	0.0160

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	6.1109	-0.0240
South Korea Won	1437.25	0.4000
Russia Rubble	104.45	0.7994
Chinese Yuan	7.2842	0.0003
Vietnam Dong	25428	35.0000
Mexican Peso	20.1786	0.0430

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	85.13	0.0000
USDINR	84.9975	-0.0100
JPYINR	56.0425	-0.0625
GBPINR	107.8175	0.3725
EURINR	89.18	0.0075
USDJPY	153.61	0.0200
GBPUSD	1.2694	0.0044
EURUSD	1.0495	-0.0005

#### Market Summary and News

- The Indian rupee fell to a record low on Tuesday, weighed down by the country's trade deficit expanding to an all-time high in November. USD/INR little changed at 84.9025 after rising to the highest ever 84.9350 intraday, according to Bloomberg-compiled data. NOTE: Asian Currency Index Drops to Two-Year Low as China, Trump Weigh. Oil companies remained dollar buyers "and mid-month demand took a toll on the rupee, taking it to the lowest level ever," says Anil Kumar Bhansali, head of treasury at Finrex Treasury Advisors. 10-year yields rose 2bps to 6.76%; RBI injected INR500b through a three-day variable rate repo (VRR) auction; the central bank also injected INR231.9b through an overnight VRR auction on Tuesday. Indian states sold 208.25 billion rupees (\$2.5 billion) of bonds on Tuesday, which is more than the INR203.25b plan. The "prospect of further yuan/CNH weakness and high UST yields have also kept the rupee under pressure," Radhika Rao, senior economist at DBS Bank writes in a note. Allowing the currency to depreciate will help rein in the import bill, albeit the authorities might prefer to keep resultant volatility in check. "In the interim, there is also market chatter that the RBI's NDF short position has close to halved from the earlier rumored \$60 billion." DBS sees scope for further rupee slippage over the next three-month and 12-month horizon, beyond 86/dollar.
- A Bloomberg gauge of the dollar held a slight gain after the release of mixed US retail sales data and as traders look ahead to the Federal Reserve's Wednesday rate decision. The loonie slumped to a Covid-era low amid continuing political discord in Canada. Bloomberg Dollar Spot Index rises less than 0.1%. Retail Sales MoM headline was 0.7% in November (0.6% estimated); MoM core measure ex. auto and gas was 0.2% (0.4% estimated). Two-year Treasury yield falls some 1.2bp to 4.24%. Swaps traders are pricing around a 90% chance of a 25bp Fed cut Wednesday. "Consumer spending overall remains resilient, and consumption continues to drive growth, but the future trajectory will depend on whether the labor market holds up well or weakens further," wrote Citi economists including Gisela Hoxha and Andrew Hollenhorst. USD/CAD rises as much as 0.6% to 1.4324 sessions high, the strongest since March 2020. Loonie pressured following resignation of Chrystia Freeland from Justin Trudeau's cabinet, raising likelihood of early election. Canadian inflation eased to 1.9% year-over-year in November, bolstering a dovish stance from the Bank of Canada. One-month implied loonie volatility spikes to 6.34%, highest since Oct. 2023 on closing basis. "What's very clear is that the political economy is a force that's creating disruption, it's creating more volatility, more uncertainty and it's coming through the currencies first," Mark McCormick, global head of FX and EM strategy at TD Securities in Toronto, told Bloomberg Television. GBP/USD rises 0.3% to 1.2715 versus 1.2666 day low. Data showed UK regular wage growth accelerated for the first time in more than a year. One-week risk reversals in the pound stand around 15 basis points puts over calls, as they remain in a sideways trading pattern this month. USD/CHF reverses gains and falls 0.3% to 0.8920, earlier rose as much as 0.4% to 0.8975 day's high, the strongest since July 16.
- Emerging-market currencies and stocks extended their recent declines as the US dollar resumed gains one day before the Federal Reserve's interest rate decision. South African rand underperformed peers with a 1.6% drop against the greenback. The Brazilian real advanced, erasing its earlier decline after the central bank conducted its second dollar auction of the day. Still, the currency hovered near a record low against the greenback and dollar bonds led losses among emerging-market peers. Other Latin American currencies weakened, led by the Colombian and Mexican pesos. The Chilean peso advanced; with trading done for the day by the time the central bank lowered borrowing costs by a quarter points, while highlighting the need to be cautious about further cuts. The Hungarian forint briefly pared losses after the central bank said it had no room to cut rates; the currency weakened for the session versus the euro and the dollar. An index of Asian currencies fell to the lowest in more than two years amid pessimism over China's economic outlook and speculation a Trump administration will drive dollar gains. The MSCI index for EM equities fell 0.9%, the most in a month, as Asian technology companies including Taiwan Semiconductor Manufacturing Company Ltd. and Samsung Electronics Co. Ltd. Retreated.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.7775	84.8125	84.8625	84.9275	84.9725	85.0275

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

**Gold Market Update**



Market View	
Open	77090
High	77199
Low	76486
Close	76871
Value Change	-190
% Change	-0.25
Spread Near-Next	666
Volume (Lots)	6578
Open Interest	12880
Change in OI (%)	-2.44%

**Gold - Outlook for the Day**

**BUY GOLD FEB (MCX) AT 76700 SL 76450 TARGET 77100/77400**

**Silver Market Update**



Market View	
Open	90945
High	91145
Low	89988
Close	90875
Value Change	-308
% Change	-0.34
Spread Near-Next	1762
Volume (Lots)	10493
Open Interest	28863
Change in OI (%)	3.61%

**Silver - Outlook for the Day**

**BUY SILVER MARCH (MCX) AT 90500 SL 89800 TARGET 91400/92000**

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

**USDINR Market Update**



Market View	
Open	85.0300
High	85.0500
Low	84.9750
Close	84.9975
Value Change	-0.0100
% Change	-0.0118
Spread Near-Next	0.0000
Volume (Lots)	163154
Open Interest	3359885
Change in OI (%)	-0.43%

**USDINR - Outlook for the Day**

The USDINR future witnessed a flat opening at 85.03, which was followed by a session where price showed profit taking from high level with candle enclosure near low. A red candle has been formed by the USDINR price closes having major support of 10-days moving average placed at 84.90 level. On the daily chart, the MACD showed a positive crossover above zero-line, while the momentum indicator RSI trailing between 66-74 levels shows slightly positive indications. We are anticipating that the price of USDINR futures will fluctuate today between 84.92 and 85.06.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR DEC	84.8575	84.9150	84.9625	85.0250	85.0775	85.1350

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