

Daily Bullion Physical Market Report

Date: 20th February 2025

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	86430	86733
Gold	995	86084	86386
Gold	916	79170	79447
Gold	750	64823	65050
Gold	585	50562	50739
Silver	999	97000	97566

Rate as exclusive of GST as of 19th February 2025 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
19 th February 2025	86733	97566
18 th February 2025	85690	96023
17 th February 2025	85254	95946
14 th February 2025	85998	97953

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	APR 25	2936.10	-12.90	-0.44
Silver(\$/oz)	MAR 25	33.04	-0.33	-0.99

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	869.94	6.88
iShares Silver	13,583.47	-70.79

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2944.40
Gold London PM Fix(\$/oz)	2936.85
Silver London Fix(\$/oz)	32.91

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	FEB 25	2946.9
Gold Quanto	FEB 25	85930
Silver(\$/oz)	MAR 25	33.00

Gold Ratio

Description	LTP
Gold Silver Ratio	88.86
Gold Crude Ratio	40.64

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	243406	27839	215567
Silver	54759	19707	35052

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	20631.98	-67.30	-0.33 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
20 th February 07:00 PM	United States	Unemployment Claims	215K	213K	High
20 th February 07:00 PM	United States	Philly Fed Manufacturing Index	19.4	44.3	Medium
20 th February 08:05 PM	United States	FOMC Member Goolsbee Speaks	-	-	Low
20 th February 08:30 PM	United States	CB Leading Index m/m	-0.1%	-0.1%	Low
20 th February 10:35 PM	United States	FOMC Member Musalem Speaks	-	-	Low
21 st February 01:00 AM	United States	FOMC Member Barr Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold held just below a new all-time high on Wednesday as a fresh round of tariff threats from US President Donald Trump, coupled with mounting geopolitical tension, underscored the metal's haven appeal even after a blistering rally. Bullion traded little changed near \$2,935 an ounce after earlier hitting a fresh record high of \$2,947.01. Late Tuesday, the US president pledged to impose tariffs on automobile, semiconductor and pharmaceutical imports of around 25%. On the geopolitical front, tension escalated a day after senior officials from the US and Russia met for a first round of talks over the war in Ukraine, leaving Ukraine President Volodymyr Zelenskiy isolated and compounding fears that a deal to resolve the war will be reached without Kyiv's involvement. Gold has hit successive records this year, after climbing by more than a quarter in 2024, as Trump's consistently disruptive trade and geopolitical agendas fan demand for the precious metal. That has augmented support for bullion that's come from concerted central-bank buying. Earlier this week, Goldman Sachs Group Inc. raised its year-end target for gold to \$3,100 an ounce, saying that stronger-than-expected central-bank buying would be a key driver. Should broader uncertainty over economic policy persist, including on tariffs, bullion could hit \$3,300, it said.

❖ Gold futures contracts are currently in very steep contango, trading with a spread of \$45 between 1st and 6th month contracts. This implies a 5.2% annualized yield by shorting gold futures and making physical distribution on the first delivery date, underscoring the metal's allure as an alternative to cash. Gold futures traditionally trade in backwardation to compensate for storage costs, but this dynamic has shifted. The steep contango in the market is positioning bullion as a positive yielding asset more attractive than US T-bills. No wonder physical gold is in such high demand. Not only has that, leasing physical gold also given a handsome return. The current leasing rate for gold, as implied by swaps is nearly 1%, giving extra yields on top of shorting the futures -- provided an investor ensures the gold is returned before the contractual delivery date.

❖ Federal Reserve Bank of Atlanta President Raphael Bostic said officials should be patient when evaluating how President Donald Trump's policies may affect the economy, noting some approaches could add to inflation while others could spark investment. "I've been really comfortable with the idea that we would take a pause and wait and see how the economy's evolving and then use that information to guide what our policy should look like over the next several months," Bostic said Wednesday during an interview with Yahoo Finance. "I definitely want to make sure that before jumping to any conclusions, I see precisely what the policies are." The Atlanta Fed chief emphasized the importance of looking at the whole suite of policies passed by the new administration — like those impacting trade, regulation and immigration. He said it's possible the policies could be inflationary, or disinflationary. Data released last week showed consumer prices rose by more than expected in January. Bostic said the biggest question is whether the outside jump at the start of the year is just a bump or the beginning of a new trend. Policymakers left interest rates unchanged last month after lowering borrowing costs by a full percentage point in late 2024. Officials have said they are in no hurry to cut rates after last year's rate cuts, signaling they want to see further progress on inflation and seek clarity on Trump's policy plans. "I think we're still in a restrictive posture," Bostic said. "That's what we need."

❖ President Donald Trump said his administration intends to ensure that the significant amount of US gold reserves held at Fort Knox is accounted for and accurate. "We hope everything's fine with Fort Knox, but we're going to go to Fort Knox — the favorite Fort Knox — to make sure the gold is there," Trump told reporters aboard Air Force One on Wednesday en route to Washington from an event in Miami. "If the gold isn't there, we're going to be very upset," he added. The president's comments come amid speculation over an idea that the US Treasury could revalue its gold stockpiles. The idea has gripped some on Wall Street even as people familiar with the matter say that the concept is not under serious consideration by Trump's top economic advisers. The speculation centers around the notion that the US Treasury could re-peg its gold holdings at a higher level — a move that would generate cash for the government. Such a move would likely require Trump to seek congressional approval. Fort Knox, a US Army installation in Kentucky, holds little over half of the Treasury's gold reserves. Gold was transferred there from New York and Philadelphia in the 1930s, in part to make it less vulnerable to foreign attack. Much of the rest of the bullion is held in facilities in Denver and West Point, New York.

❖ Federal Reserve Vice Chair Philip Jefferson said a strong economy allows policymakers to take their time before considering any additional cuts to interest rates. He also said healthy household balance sheets have supported strong consumer spending, but added some lower income households are feeling "stretched." "While a cumulative cut in the policy rate by 100 basis points last year has brought the stance of monetary policy closer to a neutral setting, monetary policy continues to be restrictive," Jefferson said Wednesday in remarks prepared for an event at Vassar College in Poughkeepsie, New York. "I believe that, with a strong economy and a solid labor market, we can take our time to assess the incoming data to make any further adjustments to our policy rate." Fed officials left their benchmark policy rate steady in January after lowering it three times late last year. Several policymakers have signaled they're in no rush to cut rates as they wait for more progress on inflation and seek information on President Donald Trump's economic policies. He repeated his view that the downward path of inflation would continue to be "bumpy." Jefferson said households overall are in a "good position" thanks to high housing values and "subdued" debt levels. But he said low-to-middle-income households have less cash on hand than they did before the crisis.

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 are held near a record as fresh geopolitical tensions underpinned demand for haven assets, with traders looking past signals the Federal Reserve is in no rush to cut interest rates.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	April	2900	2920	2950	2970	2990	3020
Silver – COMEX	March	32.70	32.95	33.15	33.30	33.50	33.80
Gold – MCX	April	85300	85600	86000	86200	86400	86700
Silver – MCX	March	94700	95500	96300	97000	97700	98500

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
107.17	0.12	0.11

Bond Yield

10 YR Bonds	LTP	Change
United States	4.5327	-0.0176
Europe	2.5560	0.0640
Japan	1.4350	0.0050
India	6.6860	-0.0070

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.7219	0.0374
South Korea Won	1441.95	1.3000
Russia Rubble	89.5715	-1.9785
Chinese Yuan	7.2788	0.0034
Vietnam Dong	25520	-7.0000
Mexican Peso	20.447	0.1955

NSE Currency Market Watch

Currency	LTP	Change
NDF	87.12	-0.0700
USDINR	87.0075	0.0575
JPYINR	57.3675	-0.2125
GBPINR	109.5825	0.0500
EURINR	91.03	-0.1950
USDJPY	151.67	0.1000
GBPUSD	1.2602	0.0022
EURUSD	1.0467	-0.0019

Market Summary and News

- ❖ US Treasuries rose after the minutes from last month's Federal Reserve meeting revealed policymakers discussed pausing or slowing the balance-sheet runoff until the government's debt-ceiling drama is resolved. US government debt extended its advance on Wednesday, pushing policy-sensitive two-year yields lower by three basis points after the minutes. Officials in January talked about the potential need to consider pausing or slowing their balance-sheet runoff — a process known as quantitative tightening, or QT, which has been ongoing since June 2022 — until lawmakers can strike a deal to avoid exhausting their borrowing authority. In particular, Fed policymakers cited the potential for significant swings in reserve balances over the coming months. System Open Market Account manager Roberto Perli cautioned those moves could become harder to gauge as the debt-limit situation "clouds the signals" provided by money-market indicators, and that extra cash banks stash at the Fed might decline quickly once a deal is struck. After the release, yields across maturities fell by between one and three basis points, steepening the yield curve. The 10-year yield fell to 4.53%, while swap spreads widened further. The Fed has been winding down its holdings for almost three years, gradually increasing the amount of Treasury and mortgage bonds allowed to run off its balance sheet without being reinvested. The central bank's assets peaked at \$95 billion per month, and in June, it lowered the sum of Treasuries allowed to roll off. So far, the Fed has unwound more than \$2 trillion from its balance sheet; leaving about \$6.8 trillion in the System Open Market Account — well above the pre-Covid levels around \$4 trillion. Atlanta Fed President Raphael Bostic said later on Wednesday during an interview with Yahoo Finance it's appropriate for policymakers to be more cautious about the balance sheet unwind going forward than they have in the past six or eight months.
- ❖ Indian traders will await details on the cutoff prices the central bank accepts on its 400 billion rupees (\$4.6 billion) of government bond purchases. RBI last week doubled the amount of planned open market purchases of bonds for Thursday's auction as it seeks to boost banking system liquidity. India's economy has recovered its lost momentum and consumption demand may improve on the back of moderating inflation and tax relief, the central bank said in its monthly bulletin Wednesday. RBI sold net \$15.15b of forex in the spot market in December, according to the bulletin. Outstanding net forward sales stood at \$67.9b as of end-December. RBI will hold INR 1T of variable rate repo Auction on Thursday. India to sell 330b rupees of treasury bills Thursday. USD/INR little changed at 86.9487 on Tuesday. Implied opening from forwards suggest spot may start trading around 86.91. 10-year yields little changed at 6.69% on Tuesday. Indian bond and FX markets were closed Wednesday for a local holiday. Global Funds Sell Net 18.8B Rupees of Indian Stocks Feb. 19: NSE.
- ❖ The five-day rally in emerging-market stocks paused Wednesday as investors evaluated the threat of additional tariffs from the US and President Donald Trump ratcheted up attacks on his Ukrainian counterpart. MSCI's EM equity index slid 0.2% at close; most EM currencies dipped as President Trump threatened to impose tariffs on auto, semiconductor and pharma imports. Mexico's peso dropped as much as 1.1%, lagging behind Latin American FX peers. Traders monitored US-Russia talks on the war in Ukraine, with optimism dented after Ukrainian and European officials were excluded from discussions. Eastern Europe's main currencies turn lower against the euro, while Ukraine's dollar bonds continued to slump. Trump issued his most direct threat yet to Volodymyr Zelenskiy, saying the Ukrainian president had "better move fast" to reach a deal with Russia "or he is not going to have a Country left." Slovakia tapped global debt markets and drew record demand from investors, despite concerns over political turbulence and the nation's public finances. South African assets slump after lawmakers delayed the presentation of the annual budget; the delay sparked concerns about the stability of the nation's coalition government.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	86.6275	86.7225	86.8225	86.9575	87.0525	87.1575

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	86058
High	86592
Low	85860
Close	85910
Value Change	-203
% Change	-0.24
Spread Near-Next	808
Volume (Lots)	8647
Open Interest	15824
Change in OI (%)	-5.16%

Gold - Outlook for the Day

SELL GOLD APRIL (MCX) AT 86300 SL 86600 TARGET 85900/85700
BUY GOLD APRIL (MCX) AT 85600 SL 85300 TARGET 86000/86350

Silver Market Update



Market View	
Open	96566
High	97518
Low	95940
Close	96406
Value Change	-442
% Change	-0.46
Spread Near-Next	1805
Volume (Lots)	10312
Open Interest	18798
Change in OI (%)	-4.93%

Silver - Outlook for the Day

SELL SILVER MARCH (MCX) AT 97000 SL 97700 TARGET 96000/95500
BUY SILVER MARCH (MCX) AT 95500 SL 94700 TARGET 96500/97000

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	86.9500
High	87.0375
Low	86.9500
Close	87.0075
Value Change	0.0575
% Change	0.0661
Spread Near-Next	0.2050
Volume (Lots)	483731
Open Interest	3260893
Change in OI (%)	0.75%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 86.95, which was followed by a session where price showed consolidating with positive buyer with candle enclosure near high. A small green candle has been formed by the USDINR price, while prices closed below short-term moving averages. The pair is continuously trading in narrow range from last 4 days. On the daily chart, the MACD showed a negative crossover above zero-line, while the momentum indicator RSI trailing in range-bound level showed sideways direction in 50-53 levels. We are anticipating that the price of USDINR futures will fluctuate today between 86.92 and 87.10.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR FEB	86.8575	86.9050	86.9525	87.0650	87.1175	87.1550

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