

Daily Bullion Physical Market Report

Date: 20th December 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	75629	76013
Gold	995	75326	75709
Gold	916	69276	69628
Gold	750	56722	57010
Gold	585	44243	44468
Silver	999	86846	87035

Rate as exclusive of GST as of 19th December 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
19 th December 2024	76013	87035
18 th December 2024	76658	89060
17 th December 2024	76362	88525
16 th December 2024	76908	89515

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 25	2608.10	-45.20	-1.70
Silver(\$/oz)	MAR 25	29.41	-1.33	-4.32

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	863.90	-0.29
iShares Silver	14,227.19	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2621.30
Gold London PM Fix(\$/oz)	2592.45
Silver London Fix(\$/oz)	29.49

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2613.1
Gold Quanto	DEC 24	75671
Silver(\$/oz)	DEC 24	29.48

Gold Ratio

Description	LTP
Gold Silver Ratio	88.68
Gold Crude Ratio	37.59

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	18698.00	-345.93	-1.85 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
20 th December 07:00 PM	United States	Core PCE Price Index m/m	0.2%	0.3%	High
20 th December 07:00 PM	United States	Personal Income m/m	0.4%	0.6%	Low
20 th December 07:00 PM	United States	Personal Spending m/m	0.5%	0.4%	Low
20 th December 08:30 PM	United States	Consumer Confidence	74.1	74.0	Medium
20 th December 08:30 PM	United States	Revised UoM Consumer Sentiment	-	2.9%	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold rose slightly on Thursday, paring some of the losses triggered by the Federal Reserve's more cautious tone on the pace of rate cuts next year. Bullion traded above \$2,600 an ounce. The Fed reduced borrowing costs on Wednesday, but Chair Jerome Powell said that while the bank was "on track to continue to cut," officials would first have to see more progress on inflation. Fresh quarterly forecasts showed several officials penciling in fewer rate cuts for next year, causing swap traders to significantly scale back bets on easing in 2025. Gold fell 2.3% following the release of the forecasts. That recalibration may have been "a bit overboard," according to Christopher Wong, a strategist at Oversea-Chinese Banking Corp. "If we see US data coming in with slower job creation in coming weeks or even tomorrow's inflation report coming in softer than expected, rate cut expectations might need to be quickly adjusted again." US gross domestic product and the core personal consumption expenditures index — the Fed's preferred gauge of underlying inflation — are due later this week. The precious metal has risen by 27% this year in a record-breaking run that's been supported by monetary easing in the US, safe-haven demand and sustained buying by the world's central banks. The rally has stalled since early November; however, as Donald Trump's election victory buoyed the dollar.

□ Exchange-traded funds added 50,827 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 2.89 million ounces, according to data compiled by Bloomberg. The purchases were equivalent to \$131.4 million at yesterday's spot price. Total gold held by ETFs fell 3.4 percent this year to 82.7 million ounces. Gold advanced 25 percent this year to \$2,585.35 an ounce and fell by 2.3 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 9,240 ounces in the last session. The fund's total of 27.8 million ounces has a market value of \$71.8 billion. ETFs cut 892,226 troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 11.1 million ounces.

□ A surge in gold imports that widened India's trade deficit to a record last month and pushed the rupee to an all-time low was due to an error in calculation, according to people with knowledge of the matter. Official's double-counted gold shipments in warehouses following a change in methodology in July; the people said, asking not to be identified ahead of an expected formal clarification. Attempts are on to reconcile the data, which could have been over-estimated by as much as 50 tons in November or almost 30% of total imports of the precious metal that month, some of the people said. If an error is indeed identified, the trade figures are likely to be revised and traders could expect some correction in the foreign-exchange rate. It would also soothe feverish speculation about the state of the economy triggered by the data, as economists pondered over whether the surge in gold purchases signaled distress and a need to hedge against inflation or a move that indicated prosperity in the hinterland caused by a healthy crop. "The rise in gold imports this November cannot be explained by festive demand alone, in our view, and represents a meaningful step up in gold purchases for reasons unclear (to us)," Nomura Holdings Inc. analysts Sonal Varma and Aurodeep Nandi had written in a note after the trade numbers were published. India's trade deficit ballooned to an unprecedented \$37.8 billion in November, driven by a four-fold increase in gold imports to a record \$14.8 billion, from just \$3.44 billion a year ago. While gold imports have risen steadily since the government cut duties on the precious metal to 6% from 15% in the July budget, the sharp spike had stumped analysts.

□ The Bank of England acted to counter market speculation on fewer cuts in borrowing costs, with three officials seeking an immediate reduction and the rest insisting they won't slow down easing. Deputy Governor Dave Ramsden and Alan Taylor — the BOE's newest policymaker — switched sides to join Swati Dhingra in advocating a quarter-point move this month. The majority opted to keep the benchmark interest rate at 4.75%, but reiterated their plan to deliver reductions in 2025. "We think a gradual approach to future interest-rate cuts remains right," Governor Andrew Bailey said in a statement. "But with heightened uncertainty in the economy we can't commit to when or by how much we will cut rates in the coming year." The decision sought to reverse a tide of repricing toward less BOE easing next year in the wake of data this week showing stronger-than-expected wage growth and still-stubborn inflation. The dovish tone was all the more marked in contrast to the US Federal Reserve, which renewed its focus on price risks on Wednesday. Investors added to bets for UK rate reductions in 2025 after the decision. Money-market pricing implied two quarter-point cuts and a strong chance of a third. The combination of the vote outcome and the BOE's vow to ease gradually "seems to be a tacit pushback against the recent shift in market pricing to just two rate cuts next year," said Thomas Pugh, an economist at RSM UK. For the next decision in February, investor bets aren't yet fully pricing in a cut — an outlook Bailey endorsed in an interview. "The market says 'well, they might cut in February. They might not,' he said, adding that such a view is a "pretty reasonable starting point."

Fundamental Outlook: Gold and silver prices are trading mix today on the international bourses. We expect gold and silver prices to trade range-bound to slightly lower for the day; as gold prices headed for a weekly drop, as traders weighed the interest-rate outlook after the Federal Reserve dialed back rate-cut expectations for next year.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2565	2590	2610	2625	2640	2675
Silver – COMEX	December	28.80	29.00	29.30	29.50	29.70	30.00
Gold – MCX	December	75000	75200	75500	75800	76100	76450
Silver – MCX	December	85000	85800	86700	87500	88200	89000

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
108.41	0.38	0.35

Bond Yield

10 YR Bonds	LTP	Change
United States	4.5621	0.0481
Europe	2.3030	0.0590
Japan	1.0780	-0.0040
India	6.7860	0.0390

Emerging Market Currency

Currency	LTP	Change
Brazil Real	6.1403	-0.1528
South Korea Won	1447.15	8.2000
Russia Rubble	103.5001	-1.0874
Chinese Yuan	7.2958	0.0101
Vietnam Dong	25461	9.0000
Mexican Peso	20.3136	-0.0543

NSE Currency Market Watch

Currency	LTP	Change
NDF	85.32	-0.0400
USDINR	85.185	0.1700
JPYINR	55.025	-0.3575
GBPINR	107.7425	-0.3125
EURINR	88.68	-0.6225
USDJPY	156.83	3.4100
GBPUSD	1.2638	-0.0076
EURUSD	1.042	-0.0085

Market Summary and News

- The Indian rupee fell past the 85-per-dollar level to a new record low on Thursday on the back of a strong greenback, spurred by a pullback in rate-cut expectations by the Federal Reserve. USD/INR rises 0.1% to close at 85.0775 after climbing to an all-time high of 85.0887 intraday, according to Bloomberg-compiled data. "The rupee's depreciation was long due because of dollar strength and yuan weakness," says Sajal Gupta, executive director and head of forex and commodities at Nuvama Institutional desk. The rupee could touch 86 by March-end and 87-88/USD by December next year, he added. 10-year yields rise 4bps to 6.79%; "The RBI now may encounter hurdles in managing their yield curve, especially as global risk aversion could lead to reduced demand for government securities," says Shrishta Acharya, vice president at Anand Rathi Global Finance. "Domestic participants may also price in a possible delay in rate cuts by the RBI, given the Fed's cautious outlook and its implications for global inflationary dynamics." "In the near term, FPIs may also reduce their exposure to Indian government securities, which will lead to increased volatility in the bond market."
- A gauge of developing-nation currencies slipped further Thursday amid broad dollar strength after the Federal Reserve signaled fewer interest-rate cuts next year. Asian currencies fell the most as the bulk of those markets were closed when the Fed's outlook was revealed on Wednesday. The Mexican peso reversed losses to gain 0.2% after Banxico cut interest rates by 25 basis points. The real, which had closed by the time of the announcement, finished the day up about 2.4% higher. The central bank said it would offer as much as \$4 billion through a FX credit line auction and as much as \$3 billion in a spot auction on Friday, continuing a streak of interventions this week. Long-end swap rates fell and the benchmark stock index bounced back. For the third time in as many days, Brazil's lower house weakened key provisions of a spending cut package meant to ease investor fears about the country's deteriorating fiscal situation. European currencies were up versus the dollar. The Czech koruna was higher versus the dollar as the central bank paused its monetary-easing cycle, leaving the key interest rate unchanged at 4%. An index of developing-world equities slipped the most in more than a month.
- A Bloomberg gauge of the dollar advanced as long-end Treasury yields rose, propelling the US curve to its steepest level since 2022. The pound slipped after Bank of England officials held rates unchanged but signaled they will keep gradually easing, while the yen plunged following the Bank of Japan's own meeting. Bloomberg Dollar Spot Index gains 0.2%, up for a third day; gauge has climbed 2.3% so far in December. Two-year Treasury yields traded as much as 27bp below 10-year equivalent, a level last seen in June 2022, before paring move. "Markets are recovering, but remain in turmoil after officials at the world's most powerful central bank turned far more hawkish on the year ahead than almost anyone had expected even as they lowered benchmark interest rates for a third consecutive time," wrote Karl Schamotta, chief market strategist at Corpay. Traders eye looming government shutdown amid continuing discussions in Washington. USD/JPY gains as much as 1.9% to 157.81, extending Wednesday's 0.9% climb; the BOJ kept its monetary policy settings steady, leaving its benchmark rate at around 0.25% and signaled it sees little urgency to raise rates for now. Governor Kazuo Ueda said he needs to watch next spring wage negotiations to decide on policy. Large stops filled on the move above 155.50 and then 156.00, with momentum flows setting the tone thereafter, two Europe-based traders say; volumes run at double the recent averages. GBP/USD down 0.4% to 1.2521, reversing earlier gains; BOE's Monetary Policy Committee voted 6-3 in favor of holding benchmark rate steady versus cutting, a tighter vote than forecast. "We think a gradual approach to future interest-rate cuts remains right," Governor Andrew Bailey said in a statement. One-week GBP risk reversals trade at 14bp, puts over calls, remain near least bearish since October. "There are many factors for the BOE to weigh next year that make the path so uncertain: the underlying path of services inflation and wage growth, the budget impact, and US trade policy are among them," wrote Kyle Chapman, FX market analyst at Ballinger Group. EUR/USD gains 0.1% to 1.0366, trimming Wednesday's losses. EUR/SEK drops 0.8% to 11.4272 sessions low; Sweden's Riksbank lowered its benchmark interest rate by 25 basis points, as expected, and signaled its easing campaign is likely to be wrapping up with one cut left to deploy.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.9575	84.9925	85.0325	84.1075	85.1425	85.1875

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	76450
High	76450
Low	75459
Close	75651
Value Change	-1002
% Change	-1.31
Spread Near-Next	742
Volume (Lots)	7410
Open Interest	13073
Change in OI (%)	1.65%

Gold - Outlook for the Day

BUY GOLD FEB (MCX) AT 75500 SL 75200 TARGET 75900/76100
SELL GOLD FEB (MCX) AT 76350 SL 76700 TARGET 76000/75800

Silver Market Update



Market View	
Open	89500
High	89500
Low	86655
Close	87187
Value Change	-3193
% Change	-3.53
Spread Near-Next	1837
Volume (Lots)	23262
Open Interest	35457
Change in OI (%)	15.68%

Silver - Outlook for the Day

BUY SILVER MARCH (MCX) AT 86700 SL 85800 TARGET 87700/88200
SELL SILVER MARCH (MCX) AT 88800 SL 89800 TARGET 87500/87000

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	85.2250
High	85.7500
Low	85.1000
Close	85.1850
Value Change	0.1700
% Change	0.2000
Spread Near-Next	0.0000
Volume (Lots)	635726
Open Interest	3921560
Change in OI (%)	7.48%

USDINR - Outlook for the Day

The USDINR future witnessed a gap-up opening at 85.22, which was followed by a session where price showed consolidation with negative buyer 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 84.94 levels. On the daily chart, the MACD showed a positive crossover above zero-line, while the momentum indicator RSI trailing between 68-76 levels shows slightly positive indications. We are anticipating that the price of USDINR futures will fluctuate today between 84.07 and 85.22.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR DEC	84.9775	85.0350	85.0825	85.1950	85.2375	85.2750

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