



Daily Bullion Physical Market Report

Date: 22nd November 2022

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	52558	52406
Gold	995	52348	52196
Gold	916	48143	48004
Gold	750	39419	39305
Gold	585	30746	30658
Silver	999	60600	60442

*Rate as exclusive of GST as of 21st November 2022 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
21st November2022	52406	60442
18th November2022	52953	61320
17th November2022	52894	61253
16th November2022	53094	62594

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 23	1754.60	-14.40	-0.81
Silver(\$/oz)	FEB 23	21.06	-0.13	-0.63

ETF Holdings as on Previous Close

ETFs	Long	Short
SPDR Gold	906.06	1.44
iShares Silver	14,735.74	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1739.65
Gold London PM Fix(\$/oz)	1740.40
Silver London Fix(\$/oz)	20.64

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC. 22	1739.5
Gold Quanto	DEC. 22	52312
Silver(\$/oz)	DEC. 22	20.85

Gold Ratio

Description	LTP
Gold Silver Ratio	83.31
Gold Crude Ratio	21.92

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	111455	70729	40726
Silver	39240	23346	15894

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	14576.15	-75.70	-0.52 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
22 nd November 08:30pm	United States	Richmond Manufacturing Index	-9	-10	Medium
22 nd November 09:30pm	United States	FOMC Member Mester Speaks	-	-	Medium



Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold fell to the lowest in over a week as the dollar advanced amid concern China may reverse its lighter-touch approach to the coronavirus. Copper also fell. Worsening Covid-19 outbreaks across China and the first deaths in Beijing for six months are stoking concerns that authorities may again resort to harsh restrictions. That would be bearish for the copper market, where a squeeze in global supplies just appears to be easing. US equities declined, while the dollar rose on haven buying, pressuring gold and copper as they're priced in the greenback. Commodities have been pressured in recent months by the Federal Reserve's aggressive monetary tightening to fight inflation, with a gauge of the raw materials recording two consecutive quarterly losses by the end of the third quarter. Traders are now waiting for fresh clues about the Fed's interest-rate hiking path from the central bank's minutes due on Wednesday.

❖ Chinese President Xi Jinping's transition to shaking hands with President Joe Biden this month from "unlimited friendship" with Russia in February is a step forward for global recovery. But war-related spiking commodities in 1H and central banks' tightening have implications into 2023 for recession and lower prices. Russia's February invasion of Ukraine may be looked back upon as a catalyst for global recession in 2023. President Xi shaking hands with Joe Biden in November implies a move away from Russian President Vladimir Putin. But the repercussions from spiking commodities in 1H, adding incentive to the most central banks in history tightening, may be in its early days as of Nov. 18. Our base case a year from now is of feeble global economic growth, declining commodity prices and the Federal Reserve afraid of easing and buoying inflation. The biggest money-supply pump in history is now dumping. Bloomberg Economics models point to high probabilities for US and European recessions as China faces a severe property crisis. Central-bank easing has been a common cure.

❖ The dollar's star may be waning, and with that comes widespread changes in prices of global assets -- but few will benefit more directly than gold. The metal and the US currency have an unusually strong inverse relationship, with a correlation of about -0.7 across almost any time frame one cares to measure. It only breaks down in periods of acute stress when both act as havens. For more, read today's Macro View column.

❖ The European Central Bank can afford to reduce the pace of interest-rate hiking after two 75 basis-point increases, according to Governing Council member Mario Centeno. The Portuguese central bank chief said he sees room for borrowing costs to rise more, adding that "I think there are conditions in place -- many conditions -- for the increase to be less than that number" at the Dec. 15 decision. The ECB has already raised rates by 200 basis points since July and is likely to move again at its next meeting. Markets are currently pricing in a half-point hike and people familiar with the matter said last week that there currently is no momentum for a bigger move. Still, Austrian central banker Robert Holzmann said on Monday that he would support a 75 basis-point step, if upcoming inflation data on Nov. 30 don't show a major slowdown in price growth. ECB Chief Economist Philip Lane signaled that the question would arise in due course whether to start to tighten with "slower increments." All policymakers agree that the ECB needs to continue to fight record inflation. "We have to invert this tendency of inflation so that we can have more predictability of monetary policy in the next few months," Centeno, who is among the more dovish officials, said at an event in Lisbon on Monday.

❖ San Francisco Fed President Mary Daly said that officials will need to be mindful of the lags with which monetary policy works, while repeating that she sees interest rates rising to at least 5%. "As we work to bring policy to a sufficiently restrictive stance -- the level required to bring inflation down and restore price stability -- we will need to be mindful," Daly told the Orange County Business Council on Monday in Irvine, California. "Adjusting too little will leave inflation too high. Adjusting too much could lead to an unnecessarily painful downturn." Policymakers have raised the Fed's benchmark interest rate from near zero to a target range of 3.75% to 4% this year, including four back-to-back 75 basis-point hikes, the most aggressive tightening campaign since the early 1980s. Investors expect the Fed to moderate the pace of rate hikes to 50 basis points when officials gather Dec. 13-14. Daly told reporters after the speech that she would be entering the meeting with the full range of rate-hike options on the table, while repeating that she sees rates peaking at least as high as 5%. In her prepared remarks, Daly said the Fed's ongoing reduction of its balance sheet and the forward guidance officials are providing about the future path of policy also work as tightening mechanisms, which is being reflected in financial conditions.

❖ **Fundamental Outlook:** Gold and silver prices are trading positive on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly higher for the day. We recommend buy on dips in gold and silver in intra-day trading sessions as gold and silver steadied in Asia as traders waited for Federal Reserve minutes due Wednesday for hints on the central bank's monetary-policy tightening path.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1700	1720	1735	1755	1780	1800
Silver – COMEX	December	20.40	20.60	20.85	21.05	21.25	21.50
Gold – MCX	October	52000	52200	52350	52500	52650	52850
Silver – MCX	December	59700	60200	61000	61500	62000	62650



Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
107.84	0.91	0.85

Bond Yield

10 YR Bonds	LTP	Change
United States	3.8269	-0.0094
Europe	1.9890	-0.0210
Japan	0.2470	0.0040
India	7.3200	0.0120

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.309	-0.068
South Korea Won	1354.9	1.3500
Russia Rubble	61.2292	-0.5151
Chinese Yuan	7.1653	-0.0095
Vietnam Dong	24832	8
Mexican Peso	19.5437	-0.0109

NSE Currency Market Watch

Currency	LTP	Change
NDF	81.95	0
USDINR	81.775	0.045
JPYINR	57.7125	-0.7575
GBPINR	96.62	-0.705
EURINR	83.7575	-1.0075
USDJPY	141.68	1.94
GBPUSD	1.1821	-0.0086
EURUSD	1.0243	-0.0133

Market Summary and News

❖ India's economy is on track to expand by about 7% this fiscal year as supply responses gain strength, demand improves amid easing inflation and the banking system returns to health, the country's central bank said. The world's fifth-largest economy is estimated to have grown between 6.1% and 6.3% in the July-September quarter. "If this is realized, India is on course for a growth rate of about 7% in 2022-23," the Reserve Bank of India said in its State of the Economy report, which was part of the November Bulletin released Friday. The GDP numbers are expected Nov. 30. The report said urban demand "appears robust" and a muted rural demand is picking up traction. The banking system's capital adequacy ratio, currently at 16% of risk-weighted assets, is well above the regulatory minimum of 9%. Bad loans are also approaching 1% of the loan book after setting aside provisions. Since May, India's central bank has raised the benchmark policy rate by 190 basis points to tame inflation, which has stayed above a target ceiling of 6% since the beginning of the year. The RBI is expected to increase rates again in December, though likely by a smaller amount than the last three half-point hikes.

❖ The European Central Bank will probably continue to raise borrowing costs next year to ensure inflation returns to its 2% target, Chief Economist Philip Lane told Market News. "I don't think December is going to be the last rate hike," Lane said in an interview published on the ECB's website. Asked about the likelihood that the ECB will take a break from rate increases as it starts to unwind its balance sheet, Lane said "it's too early to have very strong views at this point." He said the "more relevant argument than whether to pause is to move at the appropriate time to smaller increments." He added that in upcoming decisions the ECB will have to consider that previous moves filter through to the economy with a delay. There currently is a lack of momentum for a third consecutive 75 basis-point hike at ECB's Dec. 15 meeting. The ECB has already raised the deposit rate by a total of 200 basis points since July and the same time the euro zone is probably in a recession, with inflation possibly near its peak. Lane, who said any recession would be "mild and short-lived," warned that both sides in pay negotiations must be careful not to set off a wage-price spiral.

❖ The Bank of England has big fiscal news to digest at its next policy meeting in December. For all of the talk about austerity, it is the Autumn Statement's near-term fiscal boost to demand that will grab policymakers' attention. Evidence on the way the BOE thinks about cost-of-living support suggests a 0.5% boost to its GDP forecast one year from the second quarter of 2023. This means stronger medium-term price pressures. The main takeaway is that of a big dial down in the pace of interest rate hikes by the BOE is not yet in the cards. A 50 basis-point move remains the most likely outcome at the next meeting, with some risk of a bigger increase.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	81.0000	81.3000	81.5000	81.8000	81.9800	82.2000



Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	52508
High	52590
Low	52136
Close	52292
Value Change	-296
% Change	-0.56
Spread Near-Next	9
Volume (Lots)	5397
Open Interest	4649
Change in OI (%)	-13.62%

Gold - Outlook for the Day

Gold prices are supportive around \$ 1710-1700, where we can buy gold for target of \$ 1730-45.

BUY GOLD DEC (MCX) AT 52200 SL 52000 TARGET 52500/52650

Silver Market Update



Market View	
Open	60580
High	60814
Low	60164
Close	60635
Value Change	-240
% Change	-0.39
Spread Near-Next	-635
Volume (Lots)	13972
Open Interest	11186
Change in OI (%)	-3.57%

Silver - Outlook for the Day

Silver too facing tout resistance around \$ 21.50 where we can initiate sell for target of \$ 20.65-20.45.

BUY SILVER DEC (MCX) AT 60850 SL 60200 TARGET 61500/62000



Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	81.8275
High	81.945
Low	81.7075
Close	81.775
Value Change	0.045
% Change	0.06
Spread Near-Next	0.6139
Volume (Lots)	2668608
Open Interest	2906302
Change in OI (%)	-3.16%

USDINR - Outlook for the Day

USDINR opened on a positive note at 81.82 followed by a consolidation session with closure in flat red. USDINR has formed a small red candle with closure in higher highs and lows but upward trend now seems to be stretched. The pair has given closure above short and long term SMA while holding medium term SMA as a resistance. USDINR, if trades below 81.68, pair will head towards 81.50 – 81.20. Whereas, momentum above 81.97; will lead the pair to test the highs of 82.25 – 82.42. The daily strength indicator RSI and momentum oscillator Stochastic both are in positive zone but still is below their signal line indicating bullish bias.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR November	81.0000	81.3000	81.5000	81.8500	82.0500	82.2700



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Indian Bullion and Jewellers Associations Ltd. Since 1919



Nirmal Bang Securities – Commodity Research Team

Name	Designation	Email
Kunal Shah	Head of Research	kunal.shah@nirmalbang.com
Devidas Rajadhikary	AVP Commodity Research	devidas.rajadhikary@nirmalbang.com
Harshal Mehta	AVP Commodity Research	harshal.mehta@nirmalbang.com
Ravi D'souza	Sr. Research Analyst	ravi.dsouza@nirmalbang.com
Smit Bhayani	Research Associate	smit.bhayani@nirmalbang.com
Riya Singh	Currency Research Analyst	riya.singh@nirmalbang.com

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