



Daily Bullion Physical Market Report

Date: 24th June 2022

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	50994	50853
Gold	995	50790	50649
Gold	916	46711	46581
Gold	750	38246	38140
Gold	585	29831	29749
Silver	999	60409	59999

*Rate as exclusive of GST as of 23rd June 2022 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
23 rd June 2022	50853	59999
22 nd June 2022	51155	60744
21 st June 2022	50914	61077
20 th June 2022	51005	60979

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	AUG 22	1829.80	-8.60	-0.47
Silver(\$/oz)	SEPT 22	21.09	-0.41	-1.89

ETF Holdings as on Previous Close

ETFs	Long	Short
SPDR Gold	1,063.07	-8.70
iShares Silver	17,018.79	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1831.40
Gold London PM Fix(\$/oz)	1841.90
Silver London Fix(\$/oz)	21.19

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	August 22	1828.6
Gold Quanto	August 22	50614
Silver(\$/oz)	JULY 22	21.01

Gold Ratio

Description	LTP
Gold Silver Ratio	86.76
Gold Crude Ratio	17.55

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	121509	71948	49561
Silver	40973	39171	1802

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	14380.40	-136.92	-0.95%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
24 th June 05:00PM	United States	FOMC Member Bullard Speaks	-	-	Medium
24 th June 07:00PM	Britain	MPC Member Pill Speaks	-	-	Low
24 th June 07:15PM	Britain	MPC Member Haskel Speaks	-	-	Low
24 th June 07:30PM	United States	Revised UoM Consumer Sentiment	50.2	50.2	Medium
24 th June 07:30PM	United States	New Home Sales	590 K	591 K	Low



Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold slid as US stocks rose and Treasury yields sank amid a combination of recession concern and sentiment that more aggressive rate hikes are coming from the Federal Reserve to curb inflation. “We really need to restore price stability, get inflation back down to 2%, because without that we’re not going to be able to have a sustained period of maximum employment,” Powell told the House Financial Services Committee during his second day of semiannual congressional testimony. Policy makers raised the benchmark lending rate by 75 basis points last week in the biggest increase since 1994. Powell on Thursday called his commitment to curbing inflation “unconditional” and another one of his colleagues backed raising interest rates by 75 basis points again next month, even as Democrats warned him against triggering a recession.

❖ Ethiopia’s central bank increased the premium it pays for gold from artisanal miners by at least six percentage points to 35% above the global price. The government increased the incentive with the aim of curbing illegal sales and to maintain dollar supply, according to Mines Minister Takele Uma Banti. Only the central bank can buy the nation’s gold and pays in local currency. Small-scale miners produce about 65% of the precious metal, which is Ethiopia’s biggest export commodity after coffee. The rest is produced by Midroc Gold Mine Plc. Previously, the National Bank of Ethiopia paid a premium of 10%, 25% and 27% for 150 grams, 1 kilogram and 5 kilograms respectively and deliveries above that amount received a 29% mark up. Ethiopia exported 6,948 kilograms of gold for \$458.1 million in the nine months through April 7, surpassing the target by 6%.

❖ The industry association for Switzerland’s gold refiners said its members didn’t import gold from Russia last month, raising questions about who bought the country’s precious metals. Over 3 tons of gold -- worth about \$200 million -- was shipped from Russia to Switzerland in May, almost all of which was marked as being for refining, according to data from the Swiss Federal Customs Administration. It was the first recorded shipment between the countries since February, when the war in Ukraine began. Despite Russian gold exports not being sanctioned by Europe, the refining industry’s move to distance itself from the contentious shipments shows the reputation risks of dealing in the nation’s commodities and of being seen to indirectly finance Moscow’s war on Ukraine. “After contacting its members, the ASFCMP confirms that none of its members are responsible for these imports,” the Swiss Association of Manufacturers and Traders of Precious Metals said in a statement Thursday. “Although Swiss legislation and sanctions do not prohibit the import of Russian gold into Switzerland, the ASFCMP would like to reiterate that dubious gold has no place in Switzerland.” The statement raises questions about the identity of the end-buyers, as the ASFCMP’s 14 members include all the major refineries in Switzerland which dominate the processing of precious metals globally. Buying them from Russia became taboo within the industry following the country’s invasion of Ukraine. In March, the London Bullion Market Association quickly removed the country’s own refiners from its accredited list, a move perceived as a de facto ban on bullion from the world’s second biggest producer. Still, the rules don’t prohibit other LBMA-approved refiners from buying metal originating from Russia’s mines.

❖ Federal Reserve Chair Jerome Powell called his commitment to curbing inflation “unconditional” and another of his colleagues backed raising interest rates by 75 basis points again next month, even as Democrats warned him against triggering a recession. “We have a labor market that is sort of unsustainably hot and we’re very far from our inflation target,” Powell told the House Financial Services Committee Thursday during his second day of semiannual congressional testimony. “We really need to restore price stability, get inflation back down to 2%, because without that we’re not going to be able to have a sustained period of maximum employment.” Policy makers raised interest rates by 75 basis points last week and Powell signaled that another move of that size -- or a 50 basis-point increase -- was on the table when they meet again in late July. Fed Governor Michelle Bowman separately told bankers in Massachusetts that she backed raising rates by 75 basis points next month and continuing with hikes of at least 50 basis points after that until price pressures cooled. Her comments followed a speech by Governor Christopher Waller on Saturday in which he said that he would support another 75 basis point move in July. Other officials, including Minneapolis Fed President Neel Kashkari and Chicago’s Charles Evans -- who have previously been on the dovish wing of the US central bank -- have also suggested that a move of that size was reasonable to debate next month.

❖ Exchange-traded funds cut 88,301 troy ounces of gold from their holdings in the last trading session, bringing this year’s net purchases to 7.2 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$162.3 million at yesterday’s spot price. Total gold held by ETFs rose 7.4 percent this year to 105 million ounces. State Street’s SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 65,260 ounces in the last session. The fund’s total of 34.5 million ounces has a market value of \$63.3 billion. ETFs added 3.06 million troy ounces of silver to their holdings in the last trading session, bringing this year’s net sales to 29.4 million ounces. This was the biggest one-day increase since April 21.

❖ **Fundamental Outlook:** Gold and silver prices are trading slightly lower today on international bourses. We expect precious metals prices on Indian bourses to trade sideways to lower for the day. We recommend sell on rise in gold and silver in intra-day trading sessions as investors brace for more aggressive monetary tightening, after Federal Reserve Chair Jerome Powell called his commitment to curbing inflation “unconditional.”

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	1780	1810	1830	1855	1870	1900
Silver – COMEX	September	21.30	21.50	21.70	22.30	22.50	22.70
Gold – MCX	August	50000	50200	50500	50800	51100	51350
Silver – MCX	July	58300	58800	59400	59850	60300	60850



Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
104.43	0.23	0.22

Bond Yield

10 YR Bonds	LTP	Change
United States	3.0870	0.0075
Europe	1.4250	-0.2080
Japan	0.2360	-0.0070
India	7.4190	0.0240

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.24	0.0447
South Korea Won	1301.55	-5.1500
Russia Rubble	54.4189	0.1561
Chinese Yuan	6.699	-0.0065
Vietnam Dong	23248	8
Mexican Peso	20.0159	0.0111

NSE Currency Market Watch

Currency	LTP	Change
NDF	78.35	-0.02
USDINR	78.3125	-0.045
JPYINR	57.89	0.2275
GBPINR	95.605	-0.41
EURINR	82.315	-0.1925
USDJPY	135.33	-0.6
GBPUSD	1.2212	-0.0038
EURUSD	1.0513	-0.0019

Market Summary and News

❖ Indian bonds fell as the minutes of the central bank's most recent meeting indicated more interest-rate hikes by the central bank to curb inflation. 10-year yields rose 2bps to 7.42%; fell 9bps on Wednesday. There will be pressure on bonds whenever supply kicks in, says Harish Agarwal, fixed income trader at Firstrand Bank. We are taking large supply every Friday without any major support by the central bank. So you will see long term pressure on yields. But the uncertainty that was hovering around bond yields in India is getting subdued. The MPC minutes don't suggest RBI is looking at a sharp drop in growth rate, and if we are on track on growth and RBI is in a firefighting position, then the rate hike trajectory remains what it is. USD/INR drops 0.1% to 78.2975; pair closed at 78.3862 on Wednesday, an all-time high. "USD/INR is down because of a bit of cool off in oil prices," says Anil Kumar Bhansali, head of treasury at Finrex Treasury Advisors. Fed Chair Powell's remarks to Congress were not on the hawkish side, which is also supporting sentiment as future rate hikes may be for 50bps rather than 75bps. India's central bank appears to have ramped up intervention in the forwards market to slow the rupee's decline and preserve its hard-earned reserves. India's January-March Current Account Gap Narrows, RBI Says. After a reasonably upbeat FY2022 external sector balance, the challenges have intensified in the current fiscal with headwinds from global monetary policy tightening and elevated energy prices, Kotak Mahindra Bank's chief economist Upasna Bhardwaj, wrote in a note. Estimates FY2023 CAD/GDP to widen to 3% with overall balance at negative \$65.5b. We maintain our view of orderly depreciation of INR and expect USD-INR within 77.5-79 in the near term. We expect RBI to intervene intermittently but unlikely to change the INR's inherent trend.

❖ The Reserve Bank of India has proposed to allow banks and other entities regulated by the central bank to outsource their information technology services, while making the management ultimately responsible for the integrity and confidentiality of data. In a draft master direction on its website, the RBI said that group companies owned by banks can be engaged for such IT outsourcing, provided the firm is evaluated like a third-party. However, the firm to which IT would be outsourced should not be related to the bank management or directors. Engaging foreign IT outsourcing firms, including cloud services, will be allowed, but Indian banks should not be made liable to the court of jurisdiction where such IT firm process and store data, even though the actual transactions are undertaken in India. Contracts can be made with only those cloud service providers that are subject to jurisdictions that uphold enforceability of agreements made under Indian laws, "including those relating to aspects such as data storage, data protection and confidentiality," the draft said.

❖ Japan's key inflation gauge stayed above the Bank of Japan's target level of 2%, a result that will likely keep speculation alive over possible policy adjustments at the central bank. Consumer prices excluding fresh food climbed 2.1% from a year earlier, matching the pace of the previous month, with energy costs amplified by a weaker yen the main driver, according to ministry of internal affairs data released Friday. The result matched economists' estimates and would have been stronger without the impact of ramped-up government measures to limit the gains in fuel prices. For now, the continued price gains largely are unlikely to budge the BOJ from its position as an outlier among global central banks. While the Federal Reserve has accelerated its interest rate hikes to tackle inflation, the BOJ remains unconvinced that Japan's inflation is sustainable and is sticking with rock-bottom rates. The ongoing gains above the price target pose a communications challenge for the BOJ. The central bank's persistent easing has come under criticism as it's helped the yen slide to a 24-year low, a factor that is amplifying the soaring import costs of food and energy for households. "Energy and food imports continue to drive up inflation while for other items many companies have yet to fully pass higher cost pressures on to consumers," said economist Takeshi Minami at Norinchukin Research Institute. "From the BOJ's standpoint, it will continue its easing because it remains to be seen how wide inflation will spread." Inflation has become a key political topic ahead of a July 10 national election. BOJ Governor Haruhiko Kuroda recently had to retract comments on stronger consumer tolerance of prices when they hit a nerve for households saddled with higher costs of living.

❖ A gauge of emerging-market currencies edged lower as the dollar strengthened after Federal Reserve Chair Jerome Powell reiterated his commitment to fighting inflation is "unconditional." Seventeen out of 23 emerging currencies tracked by Bloomberg weakened versus the greenback. The Mexican peso was the second-best performer of the session, holding onto a 0.2% gain versus the greenback after the central bank delivered a 75bp rate hike as expected. "A fully priced move at this stage, that helps Mexico in the carry scene, should have limited impact on market," said Alejandro Cuadrado, global head of FX strategy at BBVA in New York. Banxico says it intends to keep increasing its key interest rate in the next meetings after deciding to hike its borrowing costs by 75 basis points to 7.75% on Thursday. Andean currencies were the biggest underperformers, with the Colombian peso leading Latin American peers lower as oil neared \$110 per barrel. Ricardo Bonilla, an economic adviser to President-elect Gustavo Petro, says he's ineligible to be the nation's finance minister. The Chilean peso traded at a record low of 904.75 versus the dollar on Thursday as copper prices dropped. The forint sank after the central bank kept rates unchanged at its weekly rate call on Thursday; EUR/HUF is up 1% to 399.83. Indian rupee was one of a few emerging currencies strengthening against the greenback as India's central bank appears to have ramped up intervention in the forwards market to slow the exchange rate's decline. Philippine peso was set to post the longest streak of losses in almost a year while the country's monetary regulator vowed to take all necessary actions to bring inflation back to target.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	77.6500	77.8000	78.0000	78.2000	78.3800	78.5000



Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	50800
High	51060
Low	50560
Close	50594
Value Change	-310
% Change	-0.61
Spread Near-Next	0
Volume (Lots)	7219
Open Interest	12110
Change in OI (%)	-2.79%

Gold - Outlook for the Day

Gold prices are likely to trade positive for the day. We are expecting the metal to test 1860-1870. Recommending to buy gold between 1830-35 for target 1860-70.

SELL GOLD AUG (MCX) AT 50800 SL 51100 TARGET 50400/50200

Silver Market Update



Market View	
Open	60374
High	60618
Low	59444
Close	59504
Value Change	-1144
% Change	-1.89
Spread Near-Next	0
Volume (Lots)	19050
Open Interest	9477
Change in OI (%)	-3.27%

Silver - Outlook for the Day

Silver comparatively not looking so strong but as a white metal we can expect some support around 21.70-60 zone, where one can go long for target 22.05-15 and trade within range if 21.30-22.70.

SELL SILVER JULY (MCX) AT 60000 SL 60600 TARGET 59300/59000



Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	78.2075
High	78.4025
Low	78.2075
Close	78.3125
Value Change	-0.045
% Change	-0.06
Spread Near-Next	0
Volume (Lots)	2004623
Open Interest	4910754
Change in OI (%)	-4.05%

USDINR - Outlook for the Day

USDINR witnessed a weak open at 78.20 with turnaround in the momentum to trade in green marking high at 78.40 with closure near the same. USDINR has formed a green candle with sideways closure and an upper shadow indicating resistance at higher levels. The pair has given closure above all the SMA's indicating support at lower levels. USDINR, if trades below 78.28, the momentum will trade on a weaker note towards 78. But momentum above 78.40 would lead momentum towards 78.57 – 78.68. The daily strength indicator RSI and momentum oscillator Stochastic both are starting to move in positive zone with crossing their respective signal line thus supporting the bullish bias.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR June	77.9000	78.0500	78.2000	78.5700	78.7000	78.9000



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