

## Daily Bullion Physical Market Report

Date: 24<sup>th</sup> July 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	72609	69602
Gold	995	72318	69323
Gold	916	66510	63755
Gold	750	54457	52202
Gold	585	42476	40717
Silver	999	87576	84919

Rate as exclusive of GST as of 23<sup>rd</sup> July 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
23 <sup>rd</sup> July 2024	69602	84919
22 <sup>nd</sup> July 2024	73218	88196
19 <sup>th</sup> July 2024	73979	91555
18 <sup>th</sup> July 2024	73979	91555

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2455.20	13.10	0.54
Silver(\$/oz)	SEPT 24	29.33	0.01	0.03

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	840.01	0.00
iShares Silver	14,172.82	494.12

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2404.45
Gold London PM Fix(\$/oz)	2403.10
Silver London Fix(\$/oz)	29.06

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	AUG 24	2409.6
Gold Quanto	AUG 24	68530
Silver(\$/oz)	SEPT 24	29.39

### Gold Ratio

Description	LTP
Gold Silver Ratio	83.71
Gold Crude Ratio	31.90

### Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	241474	21115	220359
Silver	57063	18425	38638

### MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18535.72	-1016.52	-5.48 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
24 <sup>th</sup> July 06:00 PM	United States	Goods Trade Balance	-98.9B	-99.4B	Low
24 <sup>th</sup> July 06:00 PM	United States	Prelim Wholesale Inventories m/m	0.4%	0.6%	Low
24 <sup>th</sup> July 07:15 PM	United States	Flash Manufacturing PMI	51.6	51.6	High
24 <sup>th</sup> July 07:15 PM	United States	Flash Services PMI	54.7	55.3	High
24 <sup>th</sup> July 07:30 PM	United States	New Home Sales	639K	619K	Medium

## Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold edged higher on Tuesday as attention turns to key US economic data due later this week. Spot bullion rose to near \$2,410 an ounce, though was still well short of last week's all-time high. India has meanwhile slashed its import tax on gold — supporting jewelry manufacturing in the world's second-biggest consumer of the precious metal. Later this week, US second-quarter GDP data and the core personal consumption expenditures price index — the Federal Reserve's preferred measure of underlying inflation — should offer clues on the path forward for rate cuts by the country's central bank. Lower interest is traditionally seen as bullish for non-yielding gold. Gold is up by more than 16% so far this year, supported by expectations that the Fed will soon pivot to lower borrowing costs, buying by central banks as well as haven demand amid ongoing geopolitical tensions. The market's reaction to Joe Biden dropping out of the US election race — and vice president Kamala Harris gathering enough pledged delegates to clinch the Democratic presidential nomination — has been muted. Trump remains the frontrunner — if successful, his administration could unleash both bullish and bearish forces for gold.

□ Exchange-traded funds cut 27,640 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 3.53 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$66.2 million at yesterday's spot price. Total gold held by ETFs fell 4.1 percent this year to 82 million ounces. Gold advanced 16 percent this year to \$2,396.59 an ounce and fell by 0.2 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, maintained its holdings in the last session. The fund's total of 27 million ounces has a market value of \$64.7 billion. ETFs added 4.02 million troy ounces of silver to their holdings in the last trading session, bringing this year's net sales to 5.32 million ounces. This was the fifth straight day of growth, the longest winning streak since Jan. 27, 2023.

□ India cut its import tax on gold to support jewelry manufacturing in the world's second-biggest consumer of the precious metal. The government slashed the duty on the yellow metal to 6% from 15%, Finance Minister Nirmala Sitharaman said in her annual budget speech in New Delhi on Tuesday. The aim is to “enhance domestic value addition in gold and precious metal jewelry in the country,” she said. The move will provide some relief to consumers after a surge in local gold prices, which have tracked a global rally. India buys almost all of its bullion from overseas, and the metal is often smuggled into the country to avoid the levy. The customs duty break may “lead to a decline in domestic prices and perhaps lift demand,” said Hareesh V, head of commodities at Geojit Financial Services. Shares of top jewelry firm Titan Co. rose as much as 7.2%, the biggest intraday jump since July 2022. Kalyan Jewellers India Ltd. climbed as much as 6.1%, while Senco Gold Ltd. and PC Jeweller Ltd. advanced 12% and 5%, respectively. The government also trimmed the import levy on silver to 6% from 15%.

□ The risk of outsized stock swings is looming large as US election uncertainty and a stalled tech rally drive investors to haven assets. The CBOE Volatility Index hit the highest level in three months last Friday and seasonality suggests it may rise in August to October. Some options traders are positioned for a drastic reversal of the VIX index, with the maximum open interest for Sept. 18 maturity calls being 25, versus 14.9 at Monday's close. Investors have sought safety in gold and Bitcoin exchange-traded funds, which raked in \$5.9 billion over the past month. Joe Biden's decision to end his reelection campaign — a week after an assassination attempt on Trump — sent the election into uncharted waters that threaten to fuel gyrations on Wall Street. Investors expressed concern about the lack of precedent and clarity, as well as the rise of protectionism and geopolitical risks including China's threat to Taiwan. The VIX index is heading into a seasonally strong period from next month, with the biggest volatility of year coming in August based on the last decade's data. The fear gauge is expected to remain elevated throughout October. Traders are now bracing for downside in names like Nvidia Corp. due to concerns that the tech sector has rallied too far, too fast.

**Fundamental Outlook:** Gold and silver prices are trading slightly higher today on the international bourses. We expect gold and silver prices to trade ranger-bound to higher for the day, as gold prices held an advance ahead of key US economic data due later this week, which is forecast to support the case for rate cuts this year.

### Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	2360	2385	2410	2430	2450	2465
Silver – COMEX	September	29.00	29.20	29.35	29.50	29.80	30.00
Gold – MCX	August	68100	68400	68650	68800	69000	69200
Silver – MCX	September	83800	84400	85200	85800	86500	87300



### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar Index

LTP/Close	Change	% Change
104.45	0.14	0.13

#### Bond Yield

10 YR Bonds	LTP	Change
United States	4.2506	-0.0020
Europe	2.4360	-0.0570
Japan	1.0650	0.0100
India	6.9690	0.0030

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5856	0.0088
South Korea Won	1386.1	-2.3500
Russia Rubble	87.8501	-0.0516
Chinese Yuan	7.2748	0.0010
Vietnam Dong	25366	30.0000
Mexican Peso	18.1468	0.2020

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	83.78	0.0000
USDINR	83.725	0.0450
JPYINR	53.245	-0.0575
GBPINR	108.015	-0.1850
EURINR	91.23	0.0525
USDJPY	155.98	-0.6700
GBPUSD	1.2905	-0.0029
EURUSD	1.0868	-0.0023

#### Market Summary and News

□ Indian bonds may be supported after the government lowered net borrowings via treasury bills while reducing bond sales only marginally. NOTE: The govt will repay 500b rupees of t-bills this fiscal year as against a net borrowing of 500b rupees pegged in the interim budget. For bonds, the govt cut the borrowing by 120b rupees to 14.01t rupees. A lower fiscal deficit of 4.9% vs. the interim budget's 5.1% is a positive development for bonds, UBS analysts, including Tanvee Gupta Jain, writes in a note. Broadly similar borrowing estimates as the interim budget should continue to support the bond market's demand-supply dynamics, especially amidst ongoing non-resident bond flows. We expect this positive momentum of inflows to continue and find the finance minister's guidance of extended fiscal consolidation to potentially 4.5% next year as a welcome signpost for a potential rating upgrade down the road. Retains FY25 10-year IGB forecast of 6.6% and hold on to tactical 5-year NDOIS receivers; INR continues to benefit from a manageable current account deficit (of ~0.6% YTD) and strong portfolio flows. However, elevated INR REER makes the managed USD/INR susceptible to a potential test of 84 in the coming weeks. That'd still leave INR a superior currency vis-à-vis CNH or TWD, but valuations warrant near-term risk management. USD/INR little changed at 83.6937 on Tuesday; rose to a record 83.7175 intraday. Implied opening from forwards suggest spot may start trading around 83.70. 10-year yields little changed at 6.97% on Tuesday; fell to 6.93% intraday, lowest since April 2022. RBI to hold 500b rupees 2-day reverse repo auction Wednesday. Global Funds Sell Net 29.8B Rupees of Indian Stocks July 23: NSE. They sold 50 million rupees of sovereign bonds under limits available to foreign investors, and withdrew 1.52 billion rupees of corporate debt. State-run banks sold 26.3 billion rupees of sovereign bonds on July 23: CCIL data. Foreign banks bought 1.93 billion rupees of bonds.

□ The greenback rose to its highest level in nearly two weeks amid hedging flows and a level of caution into US tech earnings Tuesday. The yen held broad gains as Treasury yields and commodity prices retreated, while investors trimmed short positions ahead of next week's Bank of Japan meeting. The Bloomberg Dollar Spot Index rose as much as 0.2% to highest level since July 11; gains in the greenback were partly fueled by solid hedging flows and system buying, according to traders. The Treasury 10-year yield fell less than one basis point to 4.25% after soft regional Federal Reserve reports and forecast miss for existing home sales; two-year Treasury yields slid three basis points after record auction demand including indirect. The Bloomberg Energy subindex falls to new YTD low while the Industrial Metals sub-index slides for eight days. USD/JPY drops 0.9% to 155.64, posting its first close below its Ichimoku cloud since Jan. 16; eyes July 18 low at 155.38. Traders note carry unwinds as a potential driver of yen gains ahead of next week's BOJ meeting. Since July 11, when large offers in the brokers market stoked intervention speculation about Japanese, positioning in the yen futures has fallen by over \$3 billion, according to CME data, with open interest at levels last seen on June 20. Stops seen below 155.50, a Europe-based trader says. EUR/USD down 0.4% at 1.0849; Euro overnight vol sits at 4.6% ahead of closely-watched PMIs Wednesday. CME open interest in near-date euro futures is up for eight days in a row and at the highest level since April as positions build. The ECB will be in a better position to decide on interest rates at its next Governing Council meeting in the autumn, Vice President Luis de Guindos said. EUR/NOK up a fourth day, rises as much as 0.5% to 11.9948 amid a surge in risk reversals as oil slides; GBP/USD is down 0.2% at 1.2903 after posting a 1.2888 12-day low. EUR/GBP slips 0.1% amid longer-dated put demand. USD/CAD rises for a fifth day for the first time in three months, gaining 0.1% to 1.3776; resistance at 1.3792, the June 11 high. Traders focus on Wednesday's Bank of Canada interest-rate decision; a quarter-point cut is almost fully priced in. AUD/USD falls 0.4% to 0.6611, a four-week low, as commodity prices retreat; NZD/USD is down for fourth day, falling to its lowest level since May 2.

□ Emerging-market equities closed higher Tuesday, halting their longest streak of losses in almost a year, bolstered by gains in TSMC and Samsung. MSCI's index of developing stocks is higher for first day in eight. A counterpart gauge for emerging currencies was little changed. Most Latin American currencies weakened, dragged down by the strong dollar and an appreciation of the Japanese yen, which is often used as a funding currency for carry trades. MXN was the worst performer among peers, weakening as much as 1.4% against the dollar. Forint traded weaker against the euro as Hungary's central bank cut the key rate again at its meeting on Tuesday after inflation came in lower than expected. Turkey's central bank extended its interest-rate pause into a fourth month. Central bank officials left the key rate unchanged at 50%; kept hawkish tone in effort to slow down inflation. Nigeria's central bank raised its key interest rate to curb inflation and bolster the nation's battered currency. The monetary authority increased the benchmark rate by 50 basis points; Median estimate of six economists in a Bloomberg survey was for a 75 basis-point increase.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.5450	83.5825	83.6275	83.7325	83.7625	83.7950

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

**Gold Market Update**



Market View	
Open	72838
High	72850
Low	68456
Close	68510
Value Change	-4208
% Change	-5.79
Spread Near-Next	517
Volume (Lots)	27806
Open Interest	11357
Change in OI (%)	6.03%

**Gold - Outlook for the Day**

**BUY GOLD AUG (MCX) AT 68650 SL 68350 TARGET 69000/69200**

**Silver Market Update**



Market View	
Open	88995
High	89015
Low	84275
Close	84919
Value Change	-4284
% Change	-4.8
Spread Near-Next	2290
Volume (Lots)	43343
Open Interest	26996
Change in OI (%)	2.02%

**Silver - Outlook for the Day**

**BUY SILVER SEPT (MCX) AT 85200 SL 84400 TARGET 86200/87000**

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

**USDINR Market Update**



Market View	
Open	83.6600
High	83.7350
Low	83.6225
Close	83.7250
Value Change	0.0450
% Change	0.0538
Spread Near-Next	-0.3980
Volume (Lots)	297058
Open Interest	2544773
Change in OI (%)	-0.14%

**USDINR - Outlook for the Day**

The USDINR future witnessed a gap-down opening at 83.66, which was followed by a session where price shows strong buying from lower level with negative buyer with candle closures near low. A long green formed by the USDINR price where price touches all-time high of 83.75. The pair has taken support of 10-days moving placed at 83.62. On the daily chart, the MACD showed a positive crossover above zero-line, while the momentum indicator, RSI strongly moving north levels showed positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.66 and 83.84.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR JULY	83.5025	83.6550	83.7075	83.7725	83.8450	83.8975



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