

Daily Bullion Physical Market Report

Date: 11th September 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	71619	71590
Gold	995	71332	71303
Gold	916	65603	65576
Gold	750	53714	53693
Gold	585	41897	41880
Silver	999	82151	82207

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

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
10 th September 2024	71590	82207
09 th September 2024	71378	81480
06 th September 2024	71931	83338
05 th September 2024	71295	81337

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2543.10	10.40	0.41
Silver(\$/oz)	DEC 24	28.61	-0.04	-0.13

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	862.74	0.00
iShares Silver	14,480.22	-19.87

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2502.35
Gold London PM Fix(\$/oz)	2506.30
Silver London Fix(\$/oz)	28.44

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	OCT24	2522.1
Gold Quanto	OCT 24	71933
Silver(\$/oz)	DEC 24	28.76

Gold Ratio

Description	LTP
Gold Silver Ratio	88.88
Gold Crude Ratio	38.68

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	242861	16271	226590
Silver	41453	14952	26501

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	17695.22	75.32	0.43 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
11 th September 06:00 PM	United States	Core CPI m/m	0.2%	0.2%	High
11 th September 06:00 PM	United States	CPI m/m	0.2%	0.2%	High
11 th September 06:00 PM	United States	CPI y/y	2.6%	2.9%	High

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold fluctuated on Tuesday as traders are eyeing US inflation due later this week that may shed light on the path of the Federal Reserve's rate-cutting cycle. Bullion traded a little above \$2,500 an ounce. Investors await US consumer price index and producer price index figures due Wednesday and Thursday, respectively, which could play into the Federal Reserve's thinking on a widely expected interest rate cut. "Inflation matters," said Chris Low at FHN Financial. "Weaker numbers might encourage the Fed toward a 50 basis-point cut, while anything higher could lock in 25 basis points." Lower rates are often seen as positive for non-interest bearing gold. Gold has surged more than 20% this year, boosted by robust purchasing by central banks as well as expectations of Fed rate cuts. The precious metal has also been supported by haven demand amid ongoing conflicts in the Middle East and Ukraine.

□ Exchange-traded funds added 19,099 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 2.55 million ounces, according to data compiled by Bloomberg. The purchases were equivalent to \$47.9 million at yesterday's spot price. Total gold held by ETFs fell 3 percent this year to 83 million ounces. Gold advanced 21 percent this year to \$2,506.38 an ounce and by 0.4 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 27.7 million ounces has a market value of \$69.5 billion. ETFs also added 200,650 troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 17.2 million ounces.

□ Forecasters expect a monthly report on US consumer prices to show another month of muted increases, possibly playing into a Federal Reserve debate over how much to cut interest rates. The figures, to be published Wednesday by the Bureau of Labor Statistics, will probably show the consumer price index and a "core" gauge excluding food and energy both rose 0.2% in August following similar advances in July, according to the median estimates in a Bloomberg survey. That would represent a 3.2% gain on an annual basis for the core measure — a third of where the rate was two years ago. Increases of that magnitude would likely keep Fed officials leaning toward a quarter-point rate cut at next week's policy meeting, though downside surprises would probably boost investor bets on a half-point reduction. "Inflation data are quickly taking a backseat to labor market data in terms of relevance for Fed policy decisions, but with an inconclusive August employment report, August CPI data could be impactful," Citigroup Inc. economists Veronica Clark and Andrew Hollenhorst said in a Sept. 9 report previewing the numbers. "Given building downside risks to the labor market and activity, the bar for a soft-enough CPI reading to price a larger start to rate cuts could be low," they wrote.

□ Traders in the US interest-rate options market are still betting on at least one super-sized Federal Reserve interest-rate cut this year — just probably not before the Nov. 5 US election. Ahead of next week's central bank policy gathering, Fed swaps reflect expectations for a quarter-point cut, with only a scant possibility for something bigger. Looking out further, it's a different story. Recent activity in options linked to the Secured Overnight Financing rate shows that traders are increasingly positioning themselves for roughly 150 basis points of cuts by the central bank's Jan. 29 policy decision. That's the same as is currently priced in by the swaps market. To implement that amount of easing, officials would, in the absence of an intermeeting move, have to implement cuts of at least half a point at two of the four scheduled gatherings through January — moves that are bigger than the standard quarter point. Just weeks ago, traders were loading up on bets for a half-point rate cut this month — or even sooner — on worries a deteriorating US labor market would force the Fed to take rapid action against the threat of recession. While data since then has allayed those concerns somewhat, traders are still wagering on the possibility that the central bank will need to make some big moves soon. Even a quarter-point reduction next week would be a milestone, marking the turning point at which Fed central bankers pivot to monetary easing after more than two years of restrictive rate policy. It will follow three potentially market-moving events this week: the US presidential debate between Vice President Kamala Harris and former President Donald Trump on Tuesday, and readings on US inflation on Wednesday and Thursday. Already, Treasuries have rallied as traders cemented expectations for imminent Fed rate cuts, sending yields sharply lower.

Fundamental Outlook: Gold and silver prices are trading slightly higher today on the international bourses. We expect gold and silver prices to trade range-bound to higher for the day, as gold prices steadied after a two-day advance ahead of US inflation data that may offer clues on the size of the Federal Reserve's expected rate cut next week.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2480	2495	2509	2528	2532	2545
Silver – COMEX	December	27.70	28.02	28.23	28.65	28.85	29.10
Gold – MCX	October	71200	71530	71700	72000	72330	72560
Silver – MCX	December	82400	82770	83200	84200	84550	84900

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
101.63	0.08	0.08

Bond Yield

10 YR Bonds	LTP	Change
United States	3.6423	-0.0581
Europe	2.1290	-0.0390
Japan	0.9000	-0.0010
India	6.8510	-0.0030

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6602	0.0753
South Korea Won	1344	2.0000
Russia Rubble	91.0001	0.4501
Chinese Yuan	7.1208	0.0071
Vietnam Dong	24662	-4.0000
Mexican Peso	20.0991	0.2128

NSE Currency Market Watch

Currency	LTP	Change
NDF	84.07	-0.0100
USDINR	84.03	0.0200
JPYINR	58.705	0.1825
GBPINR	109.9725	0.0350
EURINR	92.8225	-0.0700
USDJPY	142.79	-0.6600
GBPUSD	1.3079	0.0000
EURUSD	1.1043	-0.0006

Market Summary and News

□ A Bloomberg gauge of the dollar rose and the yen rallied in risk-off trading ahead of the first US presidential debate between Kamala Harris and Donald Trump. Bloomberg Dollar Spot Index up as much as 0.2% before paring advances, extending gains for a third session. Presidential debate kicks off at 9 p.m. New York time Tuesday; traders are watching for discussions of tax plans and tariffs, among other key issues. US CPI Wednesday also in focus, where Bloomberg consensus estimate sees 2.5% YoY headline figure in August; BBDXY overnight volatility is around 10.80%, mainly driven by demand for USD/JPY one-day straddles. "The price action highlights that the USD smile is still very much the dominant template of the FX markets," said Valentin Marinov, head of G-10 FX research and strategy at Credit Agricole. "Indeed, whereas Fed easing bets could continue to hurt the USD, market risk aversion on the back of recession fears should support vs risk-correlated currencies." Benchmark 10-year Treasuries gain, rally 5.8bp to 3.64% yield. USD/JPY tumbles as much as 0.7% to 142.20 session low; one-week risk reversals at 154bp puts over calls, versus post-NFP reading of 261bp Earlier, Bank of Japan officials said they see little need to raise the benchmark rate next week, as they're still monitoring lingering volatility in financial markets and the impact of the July hike, according to people familiar with the matter. "It feels like risk off impulses is moving through markets right now," said Win Thin, global head of markets strategy at Brown Brothers Harriman. "USD, JPY, and CHF are outperforming while the growth-sensitive majors and EM FX are underperforming." USD/CHF down 0.3% to 0.8468; Loonie leads losses among G-10: USD/CAD rallies 0.3% to 1.3605 above 200-DMA of 1.3587. WTI crude futures tumble 3.9% and Brent futures trade below \$70 per barrel for first time since December 2021. EUR/USD slips 0.1% to 1.1023; GBP/USD up less than 0.1% to 1.3080. Euro data from the Depository Trust & Clearing Corporation show that vanilla calls outweigh puts by a 1.5:1 ratio since the Monday open. Sterling lost earlier gains seen after data showed UK pay growth cooled to a two-year low in the three months through July.

□ Latin American currencies underperformed emerging-market peers amid risks including Mexico's judicial system overhaul and the outlook for rate cuts in Colombia, with traders turning their focus to US inflation data on Wednesday. The Brazilian real, the Mexican peso and the Colombian peso led losses. In Colombia, lower-than-expected inflation data published on Friday solidified bets for faster monetary easing by the country's central bank, driving the currency lower. In commodities, crude oil slumped to the lowest in almost three years as oversupply fears deepen rout. Traders brace for further volatility across Mexican assets as controversial changes to the judicial system near passage in the Senate. Economic data in Brazil showed that the nation's annual inflation eased roughly in line with expectations in August. The improvement will likely not be sufficient to relieve the pressure on central bankers to lift interest rates when they gather next week. Short-end swap rates fall as traders reinforce bets of a 25 basis points rate hike during next week's Copom decision. Changing bets on US monetary policy propelled the dollar to its third day of gains against major peers to the detriment of developing-nation currencies. Emerging-market stocks fell nearly 0.1% Tuesday, dragged lower by Samsung Electronics Co. and Tencent Holdings Limited. The MSCI EM index is down about 3.4% in September. The focus on Tuesday will be on US political risk, with former President Donald Trump squaring off in a debate with US Vice President Kamala Harris.

□ Mexico sold a \$1.5 billion bond to pay off its purchase of power plants from Spain's Iberdrola SA. A last-minute replacement of an opposition Mexican senator and allegations that another had been arrested fueled suspicion that the ruling party was moving behind the scenes to ensure it had the votes to pass President Andres Manuel Lopez Obrador's controversial judicial overhaul. The Colombian peso slumped, leading losses in emerging markets for a second day after lower-than-expected inflation solidified bets for faster interest rate cuts, dimming the currency's appeal for carry traders. China's exports unexpectedly accelerated in August, reaching their highest value in nearly two years and providing a rare boost to an economy weighed down by deflationary pressures. Since declaring himself the winner of July's presidential vote, Venezuela's Nicolás Maduro has been condemned by governments across the world, targeted by massive street protests and spurned by some of his closest allies. Saudi Arabia has launched \$1.3 trillion in real estate and infrastructure projects over the past eight years as part of its plan to diversify the economy away from oil and become a more attractive place to live, work and travel. Chile's Finance Minister Mario Marcel said the government is pressing ahead with its plan to halve the fiscal deficit next year, even as it faces spending pressure to fight crime and fund social programs.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.8850	83.9225	83.9575	83.9825	84.0225	84.0550

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	71695
High	71999
Low	71580
Close	71913
Value Change	285
% Change	0.4
Spread Near-Next	459
Volume (Lots)	5122
Open Interest	14790
Change in OI (%)	1.68%

Gold - Outlook for the Day

BUY GOLD OCT (MCX) AT 71600 SL 71419 TARGET 71850/72050

Silver Market Update



Market View	
Open	83641
High	84276
Low	83060
Close	83681
Value Change	36
% Change	0.04
Spread Near-Next	2522
Volume (Lots)	12017
Open Interest	31530
Change in OI (%)	-0.53%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 83280 SL 82700 TARGET 83750/84100

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	84.0100
High	84.0325
Low	83.9750
Close	84.0300
Value Change	0.0200
% Change	0.0238
Spread Near-Next	-0.7030
Volume (Lots)	358434
Open Interest	2181603
Change in OI (%)	6.05%

USDINR - Outlook for the Day

The USDINR future witnessed gap-flat opening at 83.01, which was followed by a session where price shows strong buying from lower level with candle enclosure below near high. A long green candle has been formed by the USDINR price where price closed above short-moving averages. On the daily chart, the MACD showed a negative crossover above zero-line, while the momentum indicator, RSI moving north near 53-58 levels shows positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.99 and 84.10.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SEPT	83.9475	83.9750	84.0025	84.0550	84.0875	84.1150

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
Jayati Mukherjee	Sr. Research Analyst	Jayati.mukherjee@nirmalbang.com
Smit Bhayani	Research Analyst	smit.bhayani@nirmalbang.com
Utkarsh Dubey	Research Associate	Utkarsh.dubey@nirmalbang.com

This Document has been prepared by Nirmal Bang Securities Pvt. Ltd. The information, analysis and estimates contained herein are based on Nirmal Bang Securities Research assessment and have been obtained from sources believed to be reliable. This document is meant for the use of the intended recipient only. This document, at best, represents Nirmal Bang Securities Research opinion and is meant for general information only. Nirmal Bang Securities Research, its directors, officers or employees shall not in any way be responsible for the contents stated herein. Nirmal Bang Securities Research expressly disclaims any and all liabilities that may arise from information, errors or omissions in this connection. This document is not to be considered as an offer to sell or a solicitation to buy any securities. Nirmal Bang Securities Research, its affiliates and their employees may from time to time hold positions in securities referred to herein. Nirmal Bang Securities Research or its affiliates may from time to time solicit from or perform investment banking or other services for any company mentioned in this document.