

## Daily Bullion Physical Market Report

Date: 11<sup>th</sup> October 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	74830	74838
Gold	995	74530	74538
Gold	916	68544	68552
Gold	750	56123	56129
Gold	585	43776	43780
Silver	999	88311	88353

Rate as exclusive of GST as of 10<sup>th</sup> October 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
10 <sup>th</sup> October 2024	74838	88353
09 <sup>th</sup> October 2024	75009	88661
08 <sup>th</sup> October 2024	75726	90412
07 <sup>th</sup> October 2024	75933	91940

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2639.30	13.30	0.51
Silver(\$/oz)	DEC 24	31.24	0.57	1.86

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	876.26	0.00
iShares Silver	14,663.18	0.00

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2617.25
Gold London PM Fix(\$/oz)	2628.95
Silver London Fix(\$/oz)	30.67

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2646.8
Gold Quanto	DEC 24	75317
Silver(\$/oz)	DEC 24	31.35

### Gold Ratio

Description	LTP
Gold Silver Ratio	84.48
Gold Crude Ratio	34.80

### Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	267477	18517	248960
Silver	53088	14709	38379

### MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18563.82	144.91	0.78 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
11 <sup>th</sup> October 06:00 PM	United States	Core PPI m/m	0.2%	0.3%	High
11 <sup>th</sup> October 06:00 PM	United States	PPI m/m	0.1%	0.2%	High
11 <sup>th</sup> October 07:15 PM	United States	FOMC Member Goolsbee Speaks	-	-	Low
11 <sup>th</sup> October 07:30 PM	United States	Prelim UoM Consumer Sentiment	70.9	70.1	Medium
11 <sup>th</sup> October 07:30 PM	United States	Prelim UoM Inflation Expectations	-	2.7%	Medium
11 <sup>th</sup> October 08:15 PM	United States	FOMC Member Logan Speaks	-	-	Low
11 <sup>th</sup> October 10:40 PM	United States	FOMC Member Bowman Speaks	-	-	Low

## Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold snapped a sixth-day decline on Thursday as traders mulled the size of the Federal Reserve's interest-rate cuts for the rest of the year following mixed inflation and labor data in the US. Underlying US inflation rose more than forecast in September, representing a pause in the recent progress toward moderating price pressures. The so-called core consumer price index, which excludes food and energy costs; increased 0.3% from August and 3.3% from a year ago; Meanwhile, applications for US unemployment benefits rose last week to the highest in over a year, reflecting large increases in Michigan, as well as states affected by Hurricane Helene. Bullion rose by as much as 0.8% with traders slightly adding to bets on a quarter-point rate reduction at the Fed's November meeting. The precious metal is up by more than 25% this year as rate-cut optimism has fueled recent gains. Strong central bank purchases and heightened geopolitical tension have also supported gold, though fears that hostilities in the Middle East could morph into a full-blown regional war have yet to be realized — possibly reducing some haven demand.

□ Exchange-traded funds cut 17,214 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 2.06 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$44.9 million at yesterday's spot price. Total gold held by ETFs fell 2.4 percent this year to 83.5 million ounces. Gold advanced 26 percent this year to \$2,607.77 an ounce and fell by 0.5 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 28.2 million ounces has a market value of \$73.5 billion. ETFs added 2.99 million troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 29.5 million ounces.

□ Three Federal Reserve policymakers on Thursday were unfazed by a higher-than-forecast September inflation report, suggesting the US central bank can continue lowering interest rates, but a fourth hinted he may favor a pause at their next meeting. "Month to month, there's wiggles and bumps in the data, but we've seen this pretty steady process of inflation moving" downward, New York Fed President John Williams said during an event at Binghamton University. "I expect that that will continue." Williams added he thought it would be appropriate to "continue the process of moving the stance of monetary policy to a more neutral setting over time." Bank of Chicago President Austan Goolsbee, in an interview on CNBC, said "the overall trend" for inflation over 12 to 18 months was clearly moving down. His counterpart from the Richmond Fed, Thomas Barkin, said inflation was "definitely headed in the right direction." The outlier on Thursday was Raphael Bostic, president of the Atlanta Fed. In an interview with the Wall Street Journal he revealed that, in projections released in September, he had called for one additional quarter-point cut this year. The Fed has two remaining meetings in 2024. "I am totally comfortable with skipping a meeting if the data suggests that's appropriate," he said. Each of those comments followed a report from the Bureau of Labor Statistics showing underlying inflation rose more than forecast in September. The so-called core consumer price index — which excludes food and energy costs — increased 0.3% for a second month, disrupting a string of lower readings. The three-month annualized rate advanced 3.1%, the most since May, according to Bloomberg calculations.

□ Federal Reserve Bank of Richmond President Thomas Barkin expressed optimism about inflation's progress, but said the fight wasn't over, citing potential risks that could stoke price pressures. "We're definitely headed in the right direction," Barkin said Thursday at an event in Norfolk, Va. hosted by the Virginia Maritime Association. "I wouldn't declare victory on it," he added. Asked about factors that could cause inflation to be sticky, Barkin cited conflicts in the Middle East and a possible rise in housing demand that could outstrip supply as the Fed lowers interest rates. Still, he added, "I don't want the number of things that could happen to stall our progress on inflation to fuzz up the fact that we actually have made a lot of progress." Recent data has painted a picture of a resilient economy with price pressures easing overall. Fresh figures released earlier Thursday, though, showed underlying inflation rose more than forecast in September. Barkin said he was still studying the newly released data, but said some aspects of the report, such as a monthly slowdown in shelter costs, were encouraging. That data also followed stronger-than-expected employment for September, when brisk hiring caused the unemployment rate to fall. That tamed fears the Fed had been slow to address potential risks to the labor market, which had cooled in recent months but remained solid overall. Fed officials will issue their next interest-rate decision following a meeting on Nov. 6-7. Investors have pulled back bets policymakers will opt for another large cut at that gathering, according to futures markets, and now expect roughly a quarter-point reduction. Investors expect an additional half-point in cuts by the end of 2024, in line with the median estimate from Fed officials in projections released in September.

**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 hotter-than-expected inflation and a slowdown in the labor market amplified debate over the size of the Federal Reserve's expected rate cut next month.

### Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2600	2630	2650	2670	2690	2715
Silver – COMEX	December	31.00	31.20	31.50	31.70	32.00	32.20
Gold – MCX	December	74900	75150	75450	75700	75900	76200
Silver – MCX	December	89200	89800	90500	91300	92000	92700



## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
102.99	0.06	0.06

### Bond Yield

10 YR Bonds	LTP	Change
United States	4.0608	-0.0117
Europe	2.2560	-0.0010
Japan	0.9600	0.0250
India	6.7770	0.0090

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5835	-0.0100
South Korea Won	1354	7.7000
Russia Rubble	96.825	-0.1750
Chinese Yuan	7.0765	-0.0043
Vietnam Dong	24845	10.0000
Mexican Peso	19.4602	-0.0363

### NSE Currency Market Watch

Currency	LTP	Change
NDF	84.09	0.0100
USDINR	84.0375	0.0000
JPYINR	56.54	-0.1425
GBPINR	109.8525	-0.0900
EURINR	92.01	-0.1725
USDJPY	148.66	0.4400
GBPUSD	1.3081	-0.0003
EURUSD	1.097	-0.0002

### Market Summary and News

□ The Treasury market shifted from bear to bull steepening by session's end Thursday. With a response by Israel to Iran's strike last week expected and a US bank holiday on Monday, a flight-to-quality rally in bonds makes sense. Spreads between active Treasuries widened as yields climbed after September CPI rose, stoking fears that progress towards inflation was stalling. At the same time, the rise in weekly and continuing jobless claims by more than expected was discounted due to strikes and weather. By afternoon, yields on 2s through 10s erased earlier gains while long bond yields remain in the green -- bull steepening the curve -- a move that can signal a search for higher quality assets. It's likely that investors, focused on Israel's next move, sought the safety of the US bond market. Also with Friday being a day ahead of the Monday holiday with the bond markets closed, it's likely to be a low volume, low participation day. That means flight-to-safety could get pulled forward or done early. Federal Reserve Governor Chris Waller also is scheduled to speak on the economic outlook Monday -- posing risk to the markets while bonds are closed. Waller, in most recent remarks after the FOMC said, he'd likely back quarter-point cuts at each of the next two Fed policy meetings, in November and December, if the economy evolves as he expects. Waller might offer some clues on whether Thursday's CPI report changed his view. Atlanta Fed Raphael Bostic Thursday kept the door open for a skip a policy meeting in November.

□ India's bond-yield curve steepened after a buyback of notes maturing in the next two years pulled down shorter-end yields. 10-year yields edged up 1bp to 6.78%; four of five bonds tendered at a buyback auction saw yields drop, with yield on the 5.22% 2025 bond falling 11bps to 6.58%. 10-year bonds were weighed by a selloff in US Treasuries, according to Suyash Choudhary, head of fixed income at Bandhan AMC. Govt. bought back 244.5b rupees of bonds, versus 250b-rupee plan: RBI statement. "The repurchase programs are mainly winding up the near-term maturing debt ahead of schedule, and the RBI's pause on bond sales in the OMO market should also support bonds," Mitul Kotecha, head of foreign-exchange and emerging markets macro strategy at Barclays Bank wrote in a note. India's yield curve has drifted lower while remaining quite flat, and should bull steepen with shorter end rates outperforming the longer end in the next few months. Revises 10-year yield forecast lower to 6.65% by end of 4Q this year, from 6.75% previously, and 5-year yield to drop to 6.60%; "Valuations have been well supported given the overall constructive fundamentals coupled with the technical backdrop," says Alicia Chu, head of fixed income at Standard Chartered in Singapore, "This is very likely to continue as India remains a sweet spot in terms of overall risk-reward." USD/INR was steady at 83.9775.

□ The dollar gauge was steady as traders assessed the Federal Reserve's interest-rate path, with a rise in claims for unemployment taking precedence over a hotter-than-expected inflation print. The Japanese yen and Swiss franc were among the best performers on safe-haven appeal. The Bloomberg Dollar Spot Index traded little changed after swings; it rose in the last eight sessions. "I am totally comfortable with skipping a meeting if the data suggests that's appropriate," Atlanta Fed President Raphael Bostic said Thursday. Underlying US inflation rose more than forecast in September, pointing to a stalling progress in bringing price growth to the target. Jobless claims rose 33k to 258k in Oct. 5 week compared with median est. 230k, according to Labor Department data. Bond investors pared expectations that the Fed will cut interest rates by 25bp. "The claims data tells you that underlying activity remains a mixed bag," said Aroop Chatterjee, a strategist at Wells Fargo. "We think this solidifies the November 25bp rate cut and potentially takes a bit of wind out of the USD's sails near-term." "CPI reading today is definitely going to add to the chatter following the Fed minutes yesterday that the 50pb move in September may have, in fact, been too big and make the central bank much more cautious moving forward," said Helen Given, a foreign-exchange trader at Monex Inc. "CHF and JPY are the big winners maybe because of the hurricane keeping general risk appetite on the downside," she said. USD/JPY fell 0.4% to 148.73; USD/CHF declined 0.4% to 0.8570. Switzerland's inflation and output trends suggest the Swiss National Bank may need to cut borrowing costs again, according to Vice President Antoine Martin. "Market focus has well and truly shifted to the labor market in recent months, and the uptick in jobless claims seems to be catching more of the attention," said Sam Zief, head of global FX strategy at JPMorgan Private Bank. He expects a 25bp cut in November by the Fed and that "should keep the dollar supported in the short-term as other central banks accelerate their pace of rate cuts and the US election comes into focus." EUR/USD fell 0.1% to 1.0924. USD/CAD up 0.3% to 1.3758, highest since Aug. 8; pair up a seventh day, longest streak since July. NZD/USD rises 0.3% to 0.6080 after losing 1.2% on Wednesday. AUD/USD climbs 0.2% to 0.6728.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.8050	83.8525	83.9075	84.0125	84.0525	84.1075

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

**Gold Market Update**



Market View	
Open	75070
High	75413
Low	74757
Close	75297
Value Change	363
% Change	0.48
Spread Near-Next	485
Volume (Lots)	4902
Open Interest	14088
Change in OI (%)	-1.53%

**Gold - Outlook for the Day**

**BUY GOLD DEC (MCX) AT 75450 SL 75150 TARGET 75700/75900**

**Silver Market Update**



Market View	
Open	89095
High	90617
Low	88640
Close	90304
Value Change	1432
% Change	1.61
Spread Near-Next	2491
Volume (Lots)	16134
Open Interest	28007
Change in OI (%)	-2.29%

**Silver - Outlook for the Day**

**BUY SILVER DEC (MCX) AT 90500 SL 89800 TARGET 91500/92200**

## Nirmal Bang Securities - Currency Technical Market Update

### USDINR Market Update



Market View	
Open	84.0250
High	84.0450
Low	84.0100
Close	84.0375
Value Change	0.0000
% Change	0.0000
Spread Near-Next	-0.7105
Volume (Lots)	63220
Open Interest	2583514
Change in OI (%)	-0.45%

### USDINR - Outlook for the Day

The USDINR future witnessed flat opening at 84.01, which was followed by a session where price shows consolidation with positive buyer with candle enclosure near high. A small green candle has been formed by the USDINR price with positive cross-over of short-term moving averages. On the daily chart, the MACD showed a positive crossover below zero-line, while the momentum indicator, RSI trailing between 50-55 levels shows positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 84 and 84.08.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR OCT	83.9675	83.9950	84.0225	84.0750	84.0975	84.1150



## Nirmal Bang Securities – Commodity Research Team

Name	Designation	Email
<b>Kunal Shah</b>	Head of Research	<a href="mailto:kunal.shah@nirmalbang.com">kunal.shah@nirmalbang.com</a>
<b>Devidas Rajadhikary</b>	AVP Commodity Research	<a href="mailto:devidas.rajadhikary@nirmalbang.com">devidas.rajadhikary@nirmalbang.com</a>
<b>Harshal Mehta</b>	AVP Commodity Research	<a href="mailto:harshal.mehta@nirmalbang.com">harshal.mehta@nirmalbang.com</a>
<b>Ravi D'souza</b>	Sr. Research Analyst	<a href="mailto:ravi.dsouza@nirmalbang.com">ravi.dsouza@nirmalbang.com</a>
<b>Jayati Mukherjee</b>	Sr. Research Analyst	<a href="mailto:Jayati.mukherjee@nirmalbang.com">Jayati.mukherjee@nirmalbang.com</a>
<b>Smit Bhayani</b>	Research Analyst	<a href="mailto:smit.bhayani@nirmalbang.com">smit.bhayani@nirmalbang.com</a>
<b>Utkarsh Dubey</b>	Research Associate	<a href="mailto:Utkarsh.dubey@nirmalbang.com">Utkarsh.dubey@nirmalbang.com</a>

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.