

Daily Bullion Physical Market Report

Date: 12th September 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	72022	71994
Gold	995	71734	71706
Gold	916	65972	65947
Gold	750	54017	53996
Gold	585	42133	42117
Silver	999	82954	83407

Rate as exclusive of GST as of 11th September 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
11 th September 2024	71994	83407
10 th September 2024	71590	82207
09 th September 2024	71378	81480
06 th September 2024	71931	83338

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2542.40	-0.70	-0.03
Silver(\$/oz)	DEC 24	28.93	0.31	1.10

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	864.46	1.72
iShares Silver	14,545.49	65.27

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2521.90
Gold London PM Fix(\$/oz)	2507.75
Silver London Fix(\$/oz)	28.82

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	OCT24	2517
Gold Quanto	OCT 24	71947
Silver(\$/oz)	DEC 24	28.97

Gold Ratio

Description	LTP
Gold Silver Ratio	87.89
Gold Crude Ratio	37.77

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	17836.31	51.95	0.29 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
12 th September 05:45 PM	Europe	Main Refinancing Rate	3.65%	4.25%	High
12 th September 05:45 PM	Europe	Monetary Policy Statement	-	-	High
12 th September 06:00 PM	United States	Core PPI m/m	0.2%	0.0%	High
12 th September 06:00 PM	United States	PPI m/m	0.1%	0.1%	High
12 th September 06:00 PM	United States	Unemployment Claims	227K	227K	High
12 th September 06:15 PM	Europe	ECB Press Conference	-	-	High
12 th September 11:30 PM	United States	Federal Budget Balance	-285.7B	-243.7B	Low

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold fell on Wednesday after a key economic report showed underlying US inflation unexpectedly picked up in August as housing costs accelerated, lowering the possibility of an outside Federal Reserve interest-rate cut next week. The so-called core consumer price index — which excludes food and energy costs — increased 0.3% from July and 3.2% from a year ago, Bureau of Labor Statistics figures showed Wednesday. Economists see the core gauge as a better indicator of underlying inflation than the overall CPI. Treasury yields pushed higher while the dollar pared early losses after the print, and bullion whipsawed in response before edging lower. Swap traders now nearly erased bets on a jumbo rate cut by the US central bank this month. Lower rates typically benefit non-interest yielding bullion. Policymakers have said their focus is more on the risks to the labor market given price pressures have largely come down from their pandemic peak. Bullion has risen more than 20% this year, with its recent leg up largely boosted by growing expectations that the Fed will embark on a rate-cutting cycle soon. Strong central bank buying and robust demand in the over-the-counter market have also helped the precious metal's rally.

❖ Exchange-traded funds cut 46,716 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 2.59 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$117.6 million at yesterday's spot price. Total gold held by ETFs fell 3 percent this year to 83 million ounces. Gold advanced 22 percent this year to \$2,516.73 an ounce and by 0.4 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, boosted its holdings by 55,460 ounces in the last session. The fund's total of 27.8 million ounces has a market value of \$69.9 billion. ETFs also cut 535,829 troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 16.6 million ounces.

❖ Underlying US inflation unexpectedly picked up in August on higher prices for housing and travel, undercutting the chances of an outside Federal Reserve interest-rate cut next week. The so-called core consumer price index — which excludes food and energy costs — increased 0.3% from July, the most in four months, and 3.2% from a year ago, Bureau of Labor Statistics figures showed Wednesday. The three-month annualized rate advanced to 2.1%, picking up from 1.6% in July, according to Bloomberg calculations. Economists see the core gauge as a better indicator of underlying inflation than the overall CPI. That measure climbed 0.2% from the prior month and 2.5% from a year ago in August, marking the fifth straight month the annual measure has eased and dragged down by cheaper gasoline prices. The BLS said shelter was "the main factor" in the overall advance. While Wednesday's reading won't deter the Fed from cutting interest rates next week, it reduces the chance of an outside reduction. Even so, policymakers have made it clear that they're highly focused on softness in the labor market, which is more likely to drive policy discussions and decisions in the months ahead. They'll also have more data to consider leading up to their November and December meetings. Traders trimmed the probability that the Fed cuts rates by a half point next week to near zero. Treasury yields rose, the S&P 500 opened lower and the dollar pared its losses on the day. Though the figures are reported on a one decimal point basis by the BLS, Fed officials and economists often look further out for a better sense of the inflation trajectory. On a two-decimal basis, core CPI rose 0.28% from July.

❖ The bond market has ended its long flirtation with the Federal Reserve cutting interest rates by half a point this month as resilient inflation and labor market data reinforce a measured course of action. Swap traders have fully priced in a quarter-point reduction at the Fed's policy announcement next week. The Treasury market ended lower Wednesday after a choppy session that started with a selloff in the wake of inflation data. The S&P 500 Index rebounded to close 1.1% higher after a volatile trading day. Stocks closely tied to the economy, including equipment rental companies and debt-heavy small caps, were among the most hit in trading before closing higher. "Both the bond market and the Fed need to see where the economy lands," said George Catrambone, head of fixed income, DWS Americas. Whether the economy is entering a soft landing that only requires a series of modest rate cuts, as seen in 2019 and 1995, or heading for a harder landing at some stage in the next year is the biggest conundrum for investors. The policy-sensitive two-year yield initially rose as much as 9.5 basis points to 3.69%, with the 10-year note backing up 4 basis points to 3.68%. At the end of the session the front end remained higher by about 5 basis points. "A point of pain is the front end as the market has priced in so many cuts," said Catrambone. The central bank has held rates from 5.25% to 5.5% since July 2023, and as inflation pressure moderated during the past 14 months, that policy setting has become increasingly restrictive. This trend spurred Fed officials in recent weeks to set the stage for an easing cycle to start this month.

Fundamental Outlook: Gold and silver prices are trading flat today on the international bourses. We expect gold and silver prices to trade higher for the day, as gold prices steadied after a small decline following a report that showed underlying US inflation picked up in August, weakening expectations for an outsized interest-rate cut by the Federal Reserve next week.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2488	2498	2506	2519	2526	2535
Silver – COMEX	December	27.90	28.16	28.38	28.80	29.05	29.22
Gold – MCX	October	71000	71450	71700	72100	72220	72450
Silver – MCX	December	83000	83400	83800	85000	85450	86000

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
101.68	0.05	0.05

Bond Yield

10 YR Bonds	LTP	Change
United States	3.6534	0.0112
Europe	2.1100	-0.0190
Japan	0.8560	-0.0440
India	6.8270	-0.0240

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6624	0.0022
South Korea Won	1340.3	-3.7000
Russia Rubble	91.5426	0.5425
Chinese Yuan	7.1194	-0.0014
Vietnam Dong	24590	-72.0000
Mexican Peso	19.8155	-0.2836

NSE Currency Market Watch

Currency	LTP	Change
NDF	84.08	0.0000
USDINR	84.0375	0.0075
JPYINR	59.3425	0.6375
GBPINR	109.905	-0.0675
EURINR	92.8525	0.0300
USDJPY	141.44	-1.3500
GBPUSD	1.3092	0.0013
EURUSD	1.106	0.0017

Market Summary and News

❖ A Bloomberg dollar gauge pared losses after the latest reading of US consumer inflation came in slightly greater than expected, cementing bets that the Federal Reserve will cut rates by just a quarter-point next week. The yen erased most of the day's gains following the data release. The Bloomberg Dollar Spot Index falls 0.1%; was down as much as 0.3% in Asian and European trading after the US presidential debate. Brown Brothers Harriman noted that the market's reaction after the debate — a softer dollar, falling Treasury yields and a drop in US stock futures — could indicate an unwinding of "Trump trades." Treasuries then reversed their rally after the CPI release, which showed core-CPI unexpectedly rising 0.3% in Aug. versus 0.2% expected. US two-year yield rises 5.2bp to 3.65%. "Market pricing for 2024 Fed cuts had been close to its ceiling leaving it vulnerable to signs of US data steadying out," wrote TD Securities strategists including Oscar Munoz Wednesday. "Dollar positioning is very clean, and it looks structurally cheap to the lingering macro, political and geopolitical uncertainty." TD strategists hold dollar longs versus EUR, NZD, SGD and "eye better levels to sell G-10 vs. JPY." USD/JPY declined 0.1% to 142.31 but earlier dropped as much as 1.2% to 140.71, the lowest since Dec. 28, after the BOJ's Junko Nakagawa said real rates were extremely low. EUR/USD erases gains following the US CPI report and is little changed at 1.1022; earlier, neared the key 1.10 level the pair broke through in August. Bloomberg data show some EU3.15b in strikes at 1.10 Thursday. EUR/GBP rallies 0.5% to 0.8464 sessions high; the UK economy stagnated for a second month in July. Swiss franc slips 0.5% and USD/CHF trades at 0.8514; earlier, the franc rallied amid a flight to quality as investors weighed impacts from the US debate, yet the move lost traction after the Tokyo fix.

❖ A gauge of emerging-market currencies gained, while an index of developing-nation stocks dropped on Wednesday after the latest US inflation data showed a higher-than-expected rise in core consumer prices, reducing the chances that Federal Reserve policymakers will deliver an outsized interest-rate cut at their meeting next week. Traders now cement bets of only a quarter-point reduction. The core consumer price index — which excludes food and energy costs — increased 0.3% in July from a month earlier, the most in four months, and is up 3.2% from a year ago, Bureau of Labor Statistics figures showed Wednesday. The three-month annualized rate advanced 2.1%, picking up from 1.6% in July, according to Bloomberg calculations. The MSCI gauge tracking developing-world currencies rose 0.1%, led by gains by the Mexican peso. The Philippine peso, the Peruvian sol and the Chilean peso also stood out among peers, while the Polish zloty was the biggest laggard across the developing world. The yield on 10-year Treasuries advanced to 3.66% while the dollar fell. The MSCI gauge for emerging-market stocks dropped 0.4%, extending losses for a fourth consecutive session. Samsung Electronics Co. and Taiwan Semiconductor Manufacturing Company Ltd led the index lower. The Mexican peso stood out among peers as the best performing currency on Tuesday despite the Senate's approval of the general text of President Andres Manuel Lopez Obrador's plan to overhaul the country's judicial system. The peso extended gains to 1.5% against the dollar as a more active US economy tends to benefit the local currency. The currency might also be boosted by last night's US presidential debate, in which Harris was "seen as holding her own against Trump which was a far contrast from Biden," Brad Bechtel, global head of FX at Jefferies Financial Group Inc, wrote in a note to clients. Angola's kwanza fell to its lowest level in 25 years against the dollar as weaker oil prices and debt payments limit the crude producer's ability to defend its currency.

❖ Argentine President Javier Milei's veto of legislation that would have increased social security spending prevailed Wednesday after government lobbying efforts chipped away at the measure's support. Maldives dollar Islamic bonds jumped as the country's central bank pledged to make a coupon payment due in October. Brazil Finance Minister Fernando Haddad said the government is worried a resurgence in extreme weather will spur inflation as central bankers are expected to lift the interest rate starting next week. Mexico's Senate approved the general text of President Andres Manuel Lopez Obrador's plan to overhaul the country's judicial system, bringing his administration closer to controlling the only branch of government that eluded the outgoing leader during his six-year term. India should play a more active role in ending Russia's war in Ukraine if it wants to win a permanent seat on the United Nations Security Council, Ukraine's ambassador in New Delhi said. Kenyan aviation workers began a strike to protest plans for Adani Airport Holdings Ltd. to take over operations of the nation's biggest airport for 30 years.

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	72001
High	72225
Low	71608
Close	71927
Value Change	14
% Change	0.02
Spread Near-Next	543
Volume (Lots)	7587
Open Interest	14800
Change in OI (%)	0.07%

Gold - Outlook for the Day

BUY GOLD OCT (MCX) AT 71800 SL 71620 TARGET 72000/71200

Silver Market Update



Market View	
Open	83941
High	85050
Low	83160
Close	84450
Value Change	769
% Change	0.92
Spread Near-Next	2557
Volume (Lots)	25819
Open Interest	30113
Change in OI (%)	-4.71%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 84180 SL 83649 TARGET 85700/85000

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	84.0050
High	84.0425
Low	83.9900
Close	84.0375
Value Change	0.0075
% Change	0.0089
Spread Near-Next	-0.7105
Volume (Lots)	125889
Open Interest	2185949
Change in OI (%)	0.20%

USDINR - Outlook for the Day

The USDINR future witnessed gap-down opening at 83., 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. The pair has trading in choppy range for last 5-days. 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 84.07.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SEPT	83.9475	83.9750	84.0025	84.0750	84.1075	84.1350

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