

Daily Bullion Physical Market Report

Date: 15th October 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	76132	76001
Gold	995	75827	75697
Gold	916	69737	69617
Gold	750	57099	57001
Gold	585	44537	44461
Silver	999	90500	90026

Rate as exclusive of GST as of 14th October 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
14 th October 2024	76001	90026
11 th October 2024	75623	88353
10 th October 2024	74838	88353
09 th October 2024	75009	88661

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2665.60	-10.70	-0.40
Silver(\$/oz)	DEC 24	31.32	-0.44	-1.38

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	877.98	1.72
iShares Silver	14,620.63	-14.18

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2659.00
Gold London PM Fix(\$/oz)	2654.90
Silver London Fix(\$/oz)	31.25

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2668.6
Gold Quanto	DEC 24	76066
Silver(\$/oz)	DEC 24	31.50

Gold Ratio

Description	LTP
Gold Silver Ratio	85.12
Gold Crude Ratio	36.10

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	244756	18473	226283
Silver	48044	13300	34744

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18971.55	-94.72	-0.50 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
15 th October 06:00 PM	United States	Empire State Manufacturing Index	3.4	11.5	Medium
15 th October 09:00 PM	United States	FOMC Member Daly Speaks	-	-	Low
15 th October 10:30 PM	United States	FOMC Member Kugler Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

- Gold swung between small gains and losses on Monday, with traders assessing an increasingly uncertain outlook for Federal Reserve interest-rate cuts. Rate-cut expectations for the next Fed meeting in November have soured since the start of the month. Lower interest rates are often seen as bullish for the non-yielding precious metal. Gold is up by more than 25% this year, with rate-cut optimism fueling recent gains. Fed officials, including influential Governor Christopher Waller, are speaking at events later on Monday. The metal has also been supported by robust purchases by central banks as well as haven demand amid ongoing conflicts in Ukraine and the Middle East. Money managers have meanwhile decreased net-long gold bets to an eight-week low, according to the latest Commodity Futures Trading Commission report. Exchange-traded funds also cut holdings in the last trading session, according to data compiled by Bloomberg.
- Exchange-traded funds cut 9,488 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 2.16 million ounces, according to data compiled by Bloomberg. This was the fourth straight day of declines, the longest losing streak since June 19. The sales were equivalent to \$25.2 million at the previous spot price. Total gold held by ETFs fell 2.5 percent this year to 83.4 million ounces. Gold advanced 29 percent this year to \$2,656.59 an ounce and by 1 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, boosted its holdings by 55,430 ounces in the last session. The fund's total of 28.2 million ounces has a market value of \$75 billion. ETFs also cut 788,084 troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 28.1 million ounces.
- Gold purchases from central banks have been a key driver in bullion's record-smashing rally this year. But officials rarely signal ahead of time when buying is top of mind. In a break to that form, reserve managers from the central banks of Mexico, Mongolia and Czech Republic on Monday sang the praises of bigger holdings. The comments provided unique insight into how they are viewing bullion, with the officials saying that gold as a percentage of their country's reserves is more likely to increase in the years ahead amid a confluence of growing geopolitical tensions and lower interest rates. "Given the context that we are facing right now — lower rates, your political tension, US election, a lot of uncertainty — maybe the share of gold in our portfolios could be increasing as well," said Joaquín Tapia, director of international reserves at Banco de México. Enkhjin Atarbaatar of Mongolia and Marek Sestak of Czech Republic echoed Tapia's remarks. The three officials spoke together on a panel in Miami at an annual industry conference held by the London Bullion Market Association. Gold has surged more than 25% so far in 2024, outperforming US equities and bonds as it keeps climbing to fresh all-time highs. The rally was partly helped by unprecedented levels of bullion purchases by central banks as reserve managers seek safety in the precious metal to safeguard their nation's wealth against geopolitical and economic uncertainty.
- A de-escalation of tensions in the Middle East and between the US and China will be bearish for gold prices in the short term, according to a panel discussion at the annual conference by the London Bullion Market Association. "A de-escalation of some of the political concerns" is something that would be "bearish" for gold in the short term, Robert Mullin, portfolio manager at Marathon Resource Advisors tells audience in Miami. "A dramatic calming of the tensions" between the US and China could be a trigger for a price decline in gold, says John Reade, chief market strategist at the World Gold Council. "A lot of the reason why we've seen more investment in gold — both from high net-worth individuals et cetera, but also from central banks — is the hegemonic tensions that are going on as China becomes the largest economy in the world and is wrestling for international influence with particularly the United States. If we were to go back into a more collaborative relationship between the United States and China, I think a lot of the reasons why some investors have been buying gold might diminish." In gold options, there's been rising demand for gold put options after the market has been crowded long this year, according to Linh Pham, portfolio manager at DRW Investments. "It's more like a protection rather than looking, for some, like a big bad market from here."
- Federal Reserve Governor Christopher Waller said recent economic data signals policymakers can approach subsequent interest-rate reductions with less urgency than they applied at their gathering last month. "I view the totality of the data as saying monetary policy should proceed with more caution on the pace of rate cuts than was needed at the September meeting," Waller said in prepared remarks on Monday at a conference at the Hoover Institution in Stanford, California. He added that if current economic conditions continue, "we can proceed with moving policy toward a neutral stance at a deliberate pace." A neutral policy rate is one that neither promotes nor inhibits economic growth. Waller pointed to the most recent labor-market figures, which showed a drop in the unemployment rate amid robust hiring, and upward revisions to job gains in prior months. Meanwhile, Waller called the latest inflation data, which came in above forecasts, "disappointing." Those data points followed the Fed's decision to cut its key policy rate by a half percentage point in September, an outsize move that officials said was aimed at maintaining the strength of the labor market. Waller said the economy is on solid footing, with employment near the Fed's objective and inflation approaching policymakers' 2% target. But, he added, recent data — including upward revisions to economic growth and an increase in job openings — are signaling the economy may not be slowing as much as desired.

Fundamental Outlook: Gold and silver prices are trading slightly flat today on the international bourses. We expect gold and silver prices to trade range-bound to marginally lower for the day; as gold prices held a small decline as traders digested comments from a senior US policymaker that suggested a slower pace of monetary easing may be likely, while haven demand fell amid fading concerns about an escalation in Middle East conflicts.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2600	2630	2660	2675	2700	2735
Silver – COMEX	December	31.00	31.20	31.50	31.70	32.00	32.20
Gold – MCX	December	75300	75600	75850	76200	76400	76700
Silver – MCX	December	89200	89800	90500	91300	92000	92700

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
103.30	0.41	0.40

Bond Yield

10 YR Bonds	LTP	Change
United States	4.1003	0.0000
Europe	2.2730	0.0090
Japan	0.9520	0.0000
India	6.7830	-0.0090

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5937	-0.0173
South Korea Won	1357.8	6.8500
Russia Rubble	95.6562	-0.1482
Chinese Yuan	7.0897	0.0229
Vietnam Dong	24846	31.0000
Mexican Peso	19.3803	0.1001

NSE Currency Market Watch

Currency	LTP	Change
NDF	84.2	0.0100
USDINR	84.1125	-0.0350
JPYINR	56.3025	-0.2950
GBPINR	109.7725	-0.1275
EURINR	91.9375	-0.1575
USDJPY	149.41	0.9300
GBPUSD	1.305	-0.0021
EURUSD	1.093	-0.0001

Market Summary and News

□ India's sovereign bonds rose amid bets for a cut in interest rates in December after industrial production contracted for the first time in almost two years in August. Traders will look forward to consumer-price inflation data due after market close. 10-year yields fell 1bps to 6.78% on Monday; yields fell as much as 3bps during trading. "Industrial production data came in weaker, which is leading to chances of a rate cut in December, and that is causing bonds to rise," says Murthy Nagarajan, head of fixed income at Tata Asset Management. "Higher inflation data is expected today. Going forward, the market expects that to go lower." The government plans to buy back 250 billion rupees (\$3 billion) of bonds on Oct. 17, including those maturing in 2025 and 2026. RBI drained INR240.7b through a 4-day variable rate reverse repo (VRRR) auction, vs 750b-rupee plan. USD/INR was steady at 84.0575 on Monday; this is after rising above the key 84 level for the first time on Friday. Consumer-price index probably rose 5.10% in September y/y, compared with 3.65% in August, according to a Bloomberg survey. "A bit of food price inflation, but mainly base effects from last year's price falls will take September inflation higher," Robert Carnell, head of Asia-Pacific research, ING Groep NV wrote in a note. "We don't expect this to last, and we should see inflation dropping back again in October." Note: Indian sovereign bonds saw their first weekly outflow since they were added to JPMorgan Chase & Co's emerging-market bond index.

□ The dollar rose against all of its Group-of-10 peers in US holiday-thinned trading as traders assessed China's latest fiscal stimulus announced over the weekend and comments from Federal Reserve officials. The yen weakened toward the key 150 per dollar level. The Bloomberg Dollar Spot Index rises 0.3%, with the Swiss franc and Norway's krone leading losses. Chinese financial officials at a briefing Saturday promised more aid for the property sector and indebted local governments but fell short of adding forceful fiscal stimulus. Cash Treasuries trading was closed Monday for US holiday, damping spot and options volume. Dollar gains moderate after Fed Governor Waller said Fed can "proceed with moving policy toward a neutral stance at a deliberate pace." Minneapolis Fed's Kashkari said it appears likely that "further modest reductions" in benchmark interest rate will be appropriate in the coming quarters. StoneX Financial's Michael Ragazzo notes model is long US Dollar Index at 100.55, with support seen at 20-DMA near 101.55 (current spot around 103.30). USD/JPY rises as much as 0.6% to 149.98 sessions high; pair's break above 150 would be first time since Aug. 1. The market is "trying to figure out the pace of Fed moves but also Bank of Japan moves," said Jane Foley, head of FX strategy at Rabobank. "There's a still a lot of uncertainty about the Japanese economic outlook, and the politics over the last few weeks only added to the sense of uncertainty." USD/CAD gains for a ninth session to 1.3797, matching July streak which was longest run since 2017. EUR/USD slips 0.3% to 1.09 and trades below 100-DMA at 1.0936; GBP/USD down 0.1% to 1.3054. Swiss franc among session's worst performers; USD/CHF rises 0.7% to 0.8630; SNB's easing cycle will extend into next year, with economists now predicting two more interest-rate cuts at the upcoming December and March policy meetings, according to a Bloomberg survey.

□ Most emerging-market currencies weakened as lukewarm Chinese stimulus measures strengthened the dollar. The MSCI EM currency index is down 0.1%, with the South African rand and Chilean peso as the biggest losers. Mexico's pesos were also among the worst performers, while Brazil's real bucked the trend to outperform all peers. The real got a boost as traders reacted to a report the government is planning to contain spending after the election. Brazil analysts raised their key rate forecasts for next year as the nation's president reignites fears of even looser fiscal policy ahead and the next central bank chief highlights strong economic growth. Trading across fixed-income markets is thin because of the US bond market holiday. China's Finance Minister Lan Fo'an vowed more support for the real estate sector at a weekend briefing, but stopped short of providing a headline monetary stimulus figure. Meanwhile, trade data showed China's exports rose much less than expected in September, curbing a trade rebound that has been a bright spot for the slowing economy. One-month implied volatility on emerging-market currencies has risen to the highest in 18 months ahead of the US presidential election and uncertainty over the path of monetary policy in the US. "EM currencies are in for some short-term stress," Phoenix Kalen, head of emerging markets research at Societe Generale, told clients. "Although our medium-term outlook remains positive for EM FX due to a view of a structural shift lower in the USD, we believe EM currencies are likely to stay under pressure over the next several weeks – with volatility measures rising – until US elections are behind us." MSCI's emerging-market equities index was flat, while US ETFs that track EM stocks VWO and IEMG slipped, trailing gains on the S&P 500.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.9750	84.0025	84.0375	84.1025	84.1325	84.1675

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	76251
High	76467
Low	75940
Close	76046
Value Change	-261
% Change	-0.34
Spread Near-Next	552
Volume (Lots)	4270
Open Interest	14439
Change in OI (%)	-0.88%

Gold - Outlook for the Day

BUY GOLD DEC (MCX) AT 75850 SL 75550 TARGET 76200/76400

Silver Market Update



Market View	
Open	91239
High	91644
Low	90427
Close	90736
Value Change	-954
% Change	-1.04
Spread Near-Next	2434
Volume (Lots)	13608
Open Interest	27714
Change in OI (%)	3.03%

Silver - Outlook for the Day

SELL SILVER DEC (MCX) AT 91200 SL 91800 TARGET 90200/89700

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	84.1175
High	84.1350
Low	84.1025
Close	84.1125
Value Change	-0.0350
% Change	-0.0416
Spread Near-Next	-0.7855
Volume (Lots)	352574
Open Interest	2755623
Change in OI (%)	2.71%

USDINR - Outlook for the Day

The USDINR future witnessed gap-down opening at 84.12, which was followed by a session where price shows consolidation with negative buyer with candle enclosure near high. A small doji 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 56-60 levels shows positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 84.03 and 84.15.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR OCT	84.0075	84.0450	84.0825	84.1450	84.1875	84.2250

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