

## Daily Bullion Physical Market Report

Date: 17<sup>th</sup> September 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	73694	73489
Gold	995	73399	73195
Gold	916	67504	67316
Gold	750	55271	55117
Gold	585	43111	42991
Silver	999	88605	88314

Rate as exclusive of GST as of 16<sup>th</sup> September 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
16 <sup>th</sup> September 2024	73489	88314
13 <sup>th</sup> September 2024	73044	86100
12 <sup>th</sup> September 2024	71801	83188
11 <sup>th</sup> September 2024	71994	83407

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2608.90	-1.80	-0.07
Silver(\$/oz)	DEC 24	31.14	0.06	0.20

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	870.51	-0.27
iShares Silver	14,575.28	29.80

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2587.45
Gold London PM Fix(\$/oz)	2584.00
Silver London Fix(\$/oz)	30.91

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	OCT24	2586.5
Gold Quanto	OCT 24	73516
Silver(\$/oz)	DEC 24	31.13

### Gold Ratio

Description	LTP
Gold Silver Ratio	83.79
Gold Crude Ratio	37.22

### Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	246214	19505	226709
Silver	40694	13604	27090

### MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18440.18	22.32	0.12 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
17 <sup>th</sup> September 06:00 PM	United States	Core Retail Sales m/m	0.2%	0.4%	High
17 <sup>th</sup> September 06:00 PM	United States	Retail Sales m/m	-0.2%	1.0%	High
17 <sup>th</sup> September 06:45 PM	United States	Capacity Utilization Rate	77.9%	77.8%	Low
17 <sup>th</sup> September 06:45 PM	United States	Industrial Production m/m	0.1%	-0.6%	Low
17 <sup>th</sup> September 07:30 PM	United States	Business Inventories m/m	0.4%	0.3%	Low
17 <sup>th</sup> September 07:30 PM	United States	FOMC Member Logan Speaks	-	-	Low
17 <sup>th</sup> September 07:30 PM	United States	NAHB Housing Market Index	41	39	Low

## Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold rose to a record on Monday as markets waited for the Federal Reserve to begin easing monetary policy for the first time in more than four years. Bullion climbed as much as 0.5% to a high of \$2,589.70 an ounce, extending last week's 3.2% gain, ahead of the Fed's Sept. 17-18 meeting that's widely expected to result in a rate cut of at least 25 basis points. Gold pared some of its increase during US trading hours. Still, opinions are divided on the pace of the US central bank's future easing path, with some traders and economists now expecting a larger, half-point reduction this week. Lower borrowing costs are often seen as bullish for gold, which doesn't bear interest. The precious metal was also supported by a weaker US dollar, which fell after an apparent assassination attempt against former President Donald Trump. Gold has gained more than a quarter this year and last hit a record on Friday, supported by the Fed's signals it would pivot to monetary easing. Central-bank buying and strong haven demand due to conflicts in the Middle East and Ukraine have helped the advance. Interest from retail investors is also picking up.

□ Money managers have increased their bullish gold bets by 119 net-long positions to 226,709, weekly CFTC data on futures and options show. Long-only positions rose 3,353 lots to 246,214 in the week ending Sept. 10. Short-only positions rose 3,234 lots to 19,505. The short-only total was the highest in six weeks. Money managers have increased their bullish silver bets by 589 net-long positions to 27,090, weekly CFTC data on futures and options show. Long-only positions fell 759 lots to 40,694 in the week ending Sept. 10. The long-only total was the lowest in four weeks. Short-only positions fell 1,348 lots to 13,604.

□ For gold, that's three successive, daily records on the bounce as the clock ticks toward the Federal Reserve's potentially historic decision on how big an interest-rate cut it'll deliver this week. The case for a full 50bps reduction remains alluring, if only because the central bank, previously criticized for delaying rate hikes, will want to avoid the appearance of hesitation with what might be its best chance to show it won't repeat the same mistake when lowering rates. So, the collective psychology may matter here, just as much as any set of dry numbers. Bullion is being re-rated higher. That broad positivity is founded in part on enhanced central-bank buying (they like gold, too), and in part on the yet-to-come US pivot toward easier policy, which will make for more accommodating conditions for the metal. At the same time, the Fed's performance is getting graded. This week, those two strands come together, again.

□ Zimbabwe plans to tackle rampant gold smuggling by increasing surveillance at mining sites, Mines Minister Winston Chitando said Monday. The country loses \$1.5 billion of gold a year to smugglers, depriving it of vital export revenue, according to the International Crisis Group. Most of its gold is produced by small-scale miners, who at times get paid late by the state's sole authorized buyer, Fidelity Gold Refinery, forcing some to use other channels. The government will deploy monitoring teams to mines to ensure all output flows to FGR, a plan that builds on a gold-tracking system announced in May. Zimbabwe aims to produce 35 tons of the metal this year, up from 30.1 tons in 2023, Chitando told reporters in the capital, Harare. "The illegal extraction and trade of gold undermines our efforts to achieve these benefits," the minister said. "The key to realizing this target is the plugging of leakages to side markets." In the latest effort to devise a credible national currency, the southern African country in April replaced its dollar with the ZiG, short for Zimbabwe Gold. The ZiG is backed by gold, precious minerals and cash reserves. "Our currency is anchored on gold," Chitando said. "Hence the need to ensure that all the gold trade is done through Fidelity Gold Refinery." In the first eight months of this year, Zimbabwe produced 21 tons of gold, compared with 19.3 tons a year earlier.

□ President Joe Biden's top economic adviser downplayed the risk of a re-emergence of inflation as policymakers shift their focus toward protecting the job market. National Economic Council Director Lael Brainard said Monday that the US economy had reached a "turning point" and suggested lower market interest rates could help address housing costs — the biggest component of price increases. "Inflation is coming back down close to normal levels, and it is important to safeguard the important labor market progress we have made," Brainard said in remarks at the Council on Foreign Relations in Washington. Asked about inflation risks ahead, she pointed to the impact of housing on the consumer price index, describing it as the "stickiest piece." Stripping out housing, the US consumer price index is only rising about 1.8%, she said. "We actually need more homes, ultimately, to get to greater affordability," she said. "That will be more possible in an environment that is more supportive in terms of the market interest rates." Mortgage rates have tumbled in recent weeks, reflecting a rally in the Treasuries market spurred by widespread expectations that the Federal Reserve will this month launch a cycle of monetary easing. Traders are anticipating the Fed will cut its benchmark rate by at least 25 basis points on Wednesday. Brainard, a former Fed vice chair, highlighted that Biden has made a commitment to respecting the independence of the Fed.

**Fundamental Outlook:** Gold and silver prices are trading mix today on the international bourses. We expect gold and silver prices to trade range-bound for the day, as gold prices are steady near a record high as the market counted down to the Federal Reserve's much-anticipated pivot to lower interest rates.

## Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2550	2564	2575	2590	2612	2625
Silver – COMEX	December	30.18	30.40	30.60	31.05	31.25	31.50
Gold – MCX	October	72650	72900	73200	73800	74150	74450
Silver – MCX	December	87700	88200	88800	90200	91000	91600

### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar Index

LTP/Close	Change	% Change
100.76	-0.35	-0.35

#### Bond Yield

10 YR Bonds	LTP	Change
United States	3.6176	-0.0337
Europe	2.1200	-0.0260
Japan	0.8480	0.0000
India	6.7610	-0.0290

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5111	-0.0535
South Korea Won	1333.55	-8.4500
Russia Rubble	91.375	1.2389
Chinese Yuan	7.0972	-0.0202
Vietnam Dong	24543	-37.0000
Mexican Peso	19.2285	0.0222

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	83.95	0.0100
USDINR	83.925	-0.0250
JPYINR	60	0.4650
GBPINR	110.7225	0.4800
EURINR	93.255	0.1750
USDJPY	139.89	-0.7000
GBPUSD	1.3198	0.0079
EURUSD	1.1125	0.0034

#### Market Summary and News

□ A Bloomberg gauge of the dollar sank to its lowest mark since January before paring losses as trader's position for a potentially large interest-rate cut from the Federal Reserve Wednesday. The yen rallied beyond the pivotal 140 per dollar level to its strongest in more than a year. Bloomberg Dollar Spot Index falls as much as 0.4% to lowest level since Jan. 12; then eases retreat; gauge is down for four straight sessions, longest streak since early July. Swaps traders on Monday assigned a greater-than-50% chance the Fed will cut by 50bp on Wednesday instead of 25bp. Policy-sensitive Treasuries lead gains across the curve, two-year yield down 2.5bp to 3.56%. One-month risk reversals at some 10 basis points, puts over calls, richer by about 3.6 basis points on the day. "Positioning has shifted massively" on the dollar, Barclays FX strategist Skylar Montgomery Koning told Bloomberg TV Monday. "We've gone from being max bullish long dollars on our sentiment indicator to max bearish dollar." USD/JPY drops a fifth day amid expectations the Bank of Japan will provide a hawkish hold this week, in contrast to Fed; it falls as much as 0.9% to 139.58, lowest since July 2023, then trades at 140.67 later in NY session. One-week risk reversals on the tenor rose as much as 221 basis points, puts over calls, compares to Friday's open at 135 basis points. GBP/USD rises 0.6% to 1.3204, the session's outperformer among G-10. Asking prices for UK houses increased at double their long-term average pace in September. EUR/USD up by 0.4% to 1.1120, highest since Sept. 6; leveraged offers seen around 1.1150, a Europe-based trader says. Two-month call spread with 1.12-1.15 strikes goes through in €250m: DTCC.

□ Emerging-market assets rose as traders gear up for the Federal Reserve to cut interest rates for the first time in four years, boosting risk appetite. An index that tracks developing nation currencies rose 0.2% while the Bloomberg dollar index touched the lowest intraday since January. Brazil's real strengthened 1% against the greenback; Central Bank Chief Roberto Campos Neto is expected to hike interest rates this week, improving the currency's carry trade appeal. Hungary's forint and Poland's zloty were also among the best performers of the day. Colombia's peso was one of the worst performers amid rising political risk; officials' discussion of the country's 2025 budget resumes Tuesday after lawmakers and the government failed to reach an agreement last week. Bond traders questioned whether Fed policymakers will cut rates by a 25 bps or 50 bps; uncertainty over the decision was at the highest since 2007. MSCI EM stock index climbed 0.3%, with shares in Hong Kong and Taiwan leading gains; China, Mexico, South Korea and Japan markets were closed for national holidays. El Salvador's sovereign bonds soared after President Nayib Bukele said his 2025 budget wouldn't include "a single cent of debt."

□ Petroperu's dollar bonds climbed after the government published a plan to temporarily take over debt payments from the cash-strapped company. Rappi Inc., one of Latin America's most valuable startups, expects to be ready to launch an initial public offering in 12 months; A Brazil Supreme Court Justice said the federal government can issue extraordinary spending credits outside the nation's fiscal limits to combat wildfires. Czech central banker Tomas Holub called for a round of further cuts before he leaves the body's rate-setting panel later this year. Senegal's dollar bonds fell after the International Monetary Fund said the African nation's fiscal position was expected to deteriorate. Nigeria's annual inflation rate fell to a six-month low in August, offering policymakers a window to halt an unprecedented tightening cycle. Zimbabwe's creditors may be willing to consider a debt-for-climate swap with the nation as part of a restructure of its \$21 billion arrears. Egypt said Saudi Arabia's crown prince has directed the kingdom's sovereign wealth fund to invest an initial \$5 billion in the North African country. Tencent Holdings Ltd. co-founder Pony Ma returned to the top of the wealth rankings in China, making him the latest tech billionaire to achieve the status.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.7625	83.8175	83.8655	83.9075	83.9450	83.9875

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

**Gold Market Update**



Market View	
Open	73600
High	73753
Low	73370
Close	73496
Value Change	-19
% Change	-0.03
Spread Near-Next	670
Volume (Lots)	3892
Open Interest	14758
Change in OI (%)	-4.75%

**Gold - Outlook for the Day**

**SELL GOLD OCT (MCX) AT 73580 SL 73850 TARGET 73200/73000**

**Silver Market Update**



Market View	
Open	89893
High	90400
Low	89097
Close	89609
Value Change	429
% Change	0.48
Spread Near-Next	2463
Volume (Lots)	11333
Open Interest	25915
Change in OI (%)	-0.10%

**Silver - Outlook for the Day**

**SELL SILVER DEC (MCX) AT 89640 SL 90101 TARGET 89180/88800**

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

**USDINR Market Update**



Market View	
Open	83.9250
High	83.9500
Low	83.9000
Close	83.9250
Value Change	-0.0250
% Change	-0.0298
Spread Near-Next	-0.5980
Volume (Lots)	75712
Open Interest	2535037
Change in OI (%)	1.62%

**USDINR - Outlook for the Day**

The USDINR future witnessed a gap-down opening at 83.92, which was followed by a session that showed consolidating with negative buyer with candle closures below previous low. A inside bar candle has been formed by the USDINR where price facing resistance of 20-days moving average placed at 83.99. On the daily chart, the momentum indicator RSI trailing between 44-50 levels shows negative indication while MACD has made a negative crossover above the zero-line. We are anticipating that the price of USDINR futures will fluctuate today between 83.86 and 83.95.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR SEPT	83.8025	83.8575	83.9075	83.9525	83.9925	84.0475

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