

## Daily Bullion Physical Market Report

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

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	76502	76553
Gold	995	76196	76246
Gold	916	70076	70123
Gold	750	57377	57415
Gold	585	44754	44784
Silver	999	91254	91512

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

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
16 <sup>th</sup> October 2024	76553	91512
15 <sup>th</sup> October 2024	75930	89800
14 <sup>th</sup> October 2024	76001	90026
11 <sup>th</sup> October 2024	75623	88353

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2691.30	12.40	0.46
Silver(\$/oz)	DEC 24	31.97	0.22	0.69

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	884.59	4.02
iShares Silver	14,620.63	0.00

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2679.40
Gold London PM Fix(\$/oz)	2675.25
Silver London Fix(\$/oz)	31.80

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2690.4
Gold Quanto	DEC 24	76684
Silver(\$/oz)	DEC 24	31.91

### Gold Ratio

Description	LTP
Gold Silver Ratio	84.17
Gold Crude Ratio	38.23

### 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	18977.30	88.85	0.47 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
17 <sup>th</sup> October 05:45 PM	Europe	Main Refinancing Rate	3.40%	3.65%	High
17 <sup>th</sup> October 06:00 PM	United States	Core Retail Sales m/m	0.1%	0.1%	High
17 <sup>th</sup> October 06:00 PM	United States	Retail Sales m/m	0.3%	0.1%	High
17 <sup>th</sup> October 06:00 PM	United States	Unemployment Claims	241K	258K	High
17 <sup>th</sup> October 06:00 PM	United States	Philly Fed Manufacturing Index	4.2	1.7	Medium
17 <sup>th</sup> October 06:15 PM	Europe	ECB Press Conference	-	-	High
17 <sup>th</sup> October 06:45 PM	United States	Capacity Utilization Rate	77.9%	78.0%	Low
17 <sup>th</sup> October 06:45 PM	United States	Industrial Production m/m	-0.1%	0.8%	Low

## Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold rallied toward a fresh record high on Wednesday as investors turned their attention to the upcoming US election, with polls forecasting a razor-thin contest with less than three weeks to go. The precious metal is one of the strongest performing commodities in 2024, setting successive records thanks to its appeal as a safe haven asset and rapacious central-bank buying. Now, it's finding fresh support as investors across financial markets reposition their portfolios in response to uncertainty over the outcome of the US presidential race. The dollar rallied on Tuesday after Republican candidate Donald Trump said in an interview with Bloomberg News that he would raise tariffs sharply, cut taxes and regulation, and seek more direct consultation with the US Federal Reserve. Meanwhile, in options markets, traders are more focused on the Fed's interest-rate cuts and the health of the US economy, market veterans say. The prevailing view of Wall Street economists is that Trump's trade policies will ultimately support the dollar, since import tariffs would stem the currency's flow overseas and potentially drive up inflation and interest rates. A prolonged trade war also stands to weigh on global risk sentiment, further supporting the haven greenback. Such a scenario could create crosswinds for gold. The asset tends to do well in an inflationary environment and periods of geopolitical turmoil, but can suffer when the dollar is strong and interest rates are high. Over the past year, elevated Fed rates have done little to slow gold's breakneck ascent to consecutive record highs, and for now many investors are betting that the pivot to looser monetary policy — and an accompanying slowdown in US economic growth — will help fuel further gains. Gold is expected to climb to record highs over the next year, according to a survey of the bullion industry at a major annual gathering.

❖ UK inflation slipped below the Bank of England's 2% target for the first time in more than three years, spurring investors to bet on a quicker pace of interest-rate cuts in the coming months. Consumer prices rose 1.7% in September compared to a year earlier, down from a pace of 2.2% previously, the Office for National Statistics said on Wednesday. That's lower than the 1.9% expected by economists and the 2.1% forecast by the British central bank in August. The pound fell 0.6% to below \$1.30 for the first time since August, and money markets bolstered wagers on interest-rate cuts. Traders are now betting on back-to-back rate cuts at the BOE's November and December decisions, having previously favored only one reduction. While the BOE's Monetary Policy Committee has signaled a cautious approach since cutting rates for the first time in August, Governor Andrew Bailey acknowledged earlier this month that the bank could be "a bit more aggressive" if inflation continued to slow. Bailey's planned appearances around global finance officials' meetings in the US next week will be closely watched by investors for more signs of a dovish shift. Thomas Pugh, economist at RSM UK, said the drop in inflation "effectively nails on a 25-basis-point rate cut" when the MPC next meets on Nov. 7. "This morning's data is clear evidence that disinflation is continuing to move through the economy at pace, and should reassure the Bank of England that it can move to cut interest rates more aggressively," Pugh said. The easing in price pressures was driven in part by cheaper air fares and lower prices at the petrol pumps. Services inflation, which is being closely watched for signs of underlying price pressures, was 4.9% — the slowest pace since May 2022. That's well below the BOE's own forecast of 5.5%.

❖ India's trade deficit narrowed to the lowest in five months in September as the nation's import bill declined due to moderation in inbound shipments of gold. The gap between imports and exports stood at \$20.78 billion in September, Trade Ministry data showed Wednesday, lower than the \$24.63 billion deficit forecast by economists in a Bloomberg survey. India reported a trade deficit of \$29.6 billion in August. Imports grew 1.6% from a year earlier to \$55.36 billion in September, while exports rose 0.5% to \$34.58 billion during the month. Inbound shipments were \$64.36 billion in August, while outbound shipments stood at \$34.71 billion. Gold imports fell to \$4.39 billion in September, from a record high of \$10.06 billion the previous month, while crude oil imports rose to \$12.5 billion from \$11.01 billion in August, the data showed. Indian exports "are in a positive territory" on account of growth in outbound shipments of ready-made garments and electronic goods, Commerce Secretary Sunil Barthwal told reporters in New Delhi. The escalating conflict in Middle East poses a significant threat to the global trade, with potential disruptions to supply chains and higher freight costs. Last week, the World Trade Organization lowered its projection of merchandise trade growth to 3% in 2025, from its earlier estimate of 3.3%.

❖ Europe should use the challenges posed by an increasingly fragmented world order and geopolitical conflicts as an opportunity to strengthen the foundations of its domestic market, according to European Central Bank President Christine Lagarde. As an open economy, the continent is more exposed than others to the adverse effects of change, she told fellow policymakers in a speech in Ljubljana on Wednesday. But with the right response, Europe has also a lot to gain, she said. "A less favorable global economy can push us to complete our domestic market," Lagarde said. "Fiercer foreign competition can encourage us to develop new technologies. More volatile geopolitics can drive us to become more energy secure and self-sufficient in our supply chains." The remarks come on the eve of a Governing Council decision that will very likely see the ECB cut interest rates for the third time this year. The euro-area economy is struggling and inflation has slowed below the central bank's target. At the same time, uncertainty across the 20-nation bloc is high — in part due to concerns that the next US administration will be hostile, the Middle East conflict will turn into a full-fledged war, and Chinese manufacturers will push into Europe more aggressively than ever before. "The global order we knew is fading," and the transition into new realities — fragmented trade, state-sponsored competition and conflict — challenging, Lagarde said. "But if we approach it with the right spirit, I believe it can be an opportunity for renewal."

**Fundamental Outlook:** Gold and silver prices are trading mix today on the international bourses. We expect gold and silver prices to trade range-bound to slightly higher for the day; as gold prices are steady ahead of several US data prints due later Thursday, while the presidential race that's less than three weeks away continues to drive demand for haven assets.

### Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2640	2675	2690	2710	2730	2760
Silver – COMEX	December	31.60	31.85	32.10	32.30	32.50	32.75
Gold – MCX	December	75900	76200	76500	76700	76900	77200
Silver – MCX	December	89700	90700	91400	92200	92800	93500

### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar Index

LTP/Close	Change	% Change
103.59	0.33	0.32

#### Bond Yield

10 YR Bonds	LTP	Change
United States	4.0122	-0.0195
Europe	2.1830	-0.0380
Japan	0.9580	-0.0150
India	6.7730	0.0050

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6643	0.0114
South Korea Won	1364.55	-0.2500
Russia Rubble	97.5023	0.5023
Chinese Yuan	7.1196	0.0001
Vietnam Dong	24984	61.0000
Mexican Peso	19.8857	0.1870

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	84.15	-0.0200
USDINR	84.05	-0.0325
JPYINR	56.39	-0.0700
GBPINR	109.3725	-0.6275
EURINR	91.62	-0.1150
USDJPY	149.08	0.0500
GBPUSD	1.3014	-0.0065
EURUSD	1.0897	-0.0009

#### Market Summary and News

❖ The Indian rupee edged higher as the nation's trade deficit narrowed to the lowest in five months. Sovereign bonds were marginally lower. USD/INR down 0.1% to 83.9987; The gap between imports and exports stood at \$20.78 billion in September, Trade Ministry data showed Wednesday, lower than the \$24.63 billion deficit forecast by economists in a Bloomberg survey. India reported a trade deficit of \$29.6 billion in August. The rupee's appreciation toward the end session was due to the trade data which was much better than last month, says Anil Kumar Bhansali, head of treasury at Finrex Treasury Advisors. Bank of Baroda expects the rupee to remain range bound from 83.9 to 84.1 per dollar in October; with a depreciating bias. "RBI will ensure volatility of rupee to be largely contained," economists at the bank write in a note. Major headwinds for the rupee going forward include imported inflation, global demand coming under pressure, and risk-off sentiments impacting equity flows. 10-year yields up 1bp to 6.77%. India sells 190b rupees of treasury bills as planned: RBI statement. "The bond picture looks rosy in India for reasons including crude going down," says Harsimran Singh Sahni, head of treasury at Anand Rathi Global Finance. "Yields are probably trending lower in the next 2-to-3 months." Flows this month into fully accessible route bonds are at about \$5.6 million as of Oct. 15, according to Clearing Corporation of India data. That compares to flows of over \$2 billion every month that the FAR bonds got since the start of the debt's inclusion to JPMorgan Chase & Co.'s key emerging market index in June. India's inflation will likely move toward the 4% target on a "durable basis" in the coming fiscal year, the central bank's Deputy Governor Michael Patra said Tuesday. India FAR Bonds See Flows Slow in October JPMorgan started adding India bonds to its key EM gauge in June.

❖ A Bloomberg gauge of the dollar traded at a 10-week high amid a slide in major peers, led by the Mexican peso, as traders considered Donald Trump's tariff plans. The pound sank after a softer-than-expected UK inflation report. Bloomberg Dollar Spot Index rises 0.3%; set for three days of gains and strongest since Aug. 2. BBDXY one-year risk reversals rise to most bullish in six weeks; USD/MXN rises as much as 1.3% to 19.9572. "In FX, the main narrative remains one of a stronger USD, spurred on by the premise that inflation outside the US is falling more quickly than inside the US," wrote Macquarie's Thierry Wizman and Gareth Berry in a note. "But Donald Trump's rising voter-intention poll ratings and the rally in his betting-market (implied) probability of winning is also spurring a stronger USD." "Some are attributing this to the so-called Trump Trade but I think it's basically the divergence story after soft Canada CPI yesterday followed by NZ and UK CPI today," said Win Thin, global head of markets strategy at Brown Brothers Harriman. GBP/USD tumbles as much as 0.7% to 1.2980, weakest since Aug. 20, after UK CPI report; "While today's data was a clear negative for our bullish Sterling view, we think the more structural motivations for our short EUR/GBP recommendation – namely, support for GBP from its global betas and a relative outperformance of UK growth – remain intact," wrote Goldman Sachs strategists including Stuart Jenkins and Isabella Rosenberg in a note Wednesday; EUR/USD down 0.4% to 1.0855, fresh two-month low as it extends decline a third day; Norway's krone leads G-10 losses, USD/NOK rises around 1% to 10.9286. NZD/USD falls as much as 0.7% to 0.6040, the lowest level since Aug. 19, before halving losses. Consumer prices rose 0.6% q/q in 3Q, smaller than the 0.7% increase estimated by economists.

❖ The Mexican peso weakened the most among emerging-market currencies on Wednesday, a day after former President Donald Trump said he would back stiff tariffs if he wins the November election. The peso fell as much as 1.3% earlier before paring losses to 1%; it's trading at the weakest in about a month. The Brazilian real also underperformed as traders digest government comments over plans to contain fiscal spending. TD Securities Goes Long BRL/MXN, Says Trump Risk Underestimated. The Colombian peso also fell; Traders are watching for a proposal that seeks to gradually raise regional transfers from the government, which poses a significant market risk, according to XP Investimentos strategist Andres Pardo. The Chilean peso bucked the trend, advancing versus the greenback after S&P Global Ratings raised the country's outlook to stable from negative. Copper, the nation's main export, also gained. Emerging-market stocks continued to decline amid the double-whammy of Trump's tariff threats and a grim outlook for the Chinese economy after lackluster stimulus measures announced over the weekend. Dutch chipmaker ASML's chief executive said he expects a slow chip market recovery to extend "well into 2025," further hindering appetite for developing world stocks.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.9150	83.9425	83.9775	84.0325	84.0725	84.1075

## Nirmal Bang Securities - Bullion Technical Market Update

### Gold Market Update



Market View	
Open	76360
High	76890
Low	76360
Close	76664
Value Change	304
% Change	0.4
Spread Near-Next	514
Volume (Lots)	5265
Open Interest	14968
Change in OI (%)	1.73%

### Gold - Outlook for the Day

**BUY GOLD DEC (MCX) AT 76500 SL 76200 TARGET 76800/77000**

### Silver Market Update



Market View	
Open	91623
High	93143
Low	91605
Close	92183
Value Change	560
% Change	0.61
Spread Near-Next	2386
Volume (Lots)	19322
Open Interest	26016
Change in OI (%)	-4.44%

### Silver - Outlook for the Day

**BUY SILVER DEC (MCX) AT 91400 SL 90700 TARGET 92200/92800**

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

**USDINR Market Update**



Market View	
Open	84.0925
High	84.1100
Low	84.0200
Close	84.0500
Value Change	-0.0325
% Change	-0.0387
Spread Near-Next	-0.7230
Volume (Lots)	257630
Open Interest	3041495
Change in OI (%)	-3.03%

**USDINR - Outlook for the Day**

The USDINR future witnessed flat opening at 84.09, which was followed by a session where price shows selling from high level with candle enclosure near low. A red candle has been formed by the USDINR price having support of 20-days moving average placed at 83.94 level. On the daily chart, the MACD showed a positive crossover below zero-line, while the momentum indicator, RSI trailing between 52-56 levels shows positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.95 and 84.05.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR OCT	83.9075	83.9450	83.9925	84.0650	84.1075	84.1450

## 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.