

Daily Bullion Physical Market Report

Date: 28th October 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	78064	78015
Gold	995	77751	77703
Gold	916	71507	71462
Gold	750	58548	58511
Gold	585	45667	45639
Silver	999	96075	95800

Rate as exclusive of GST as of 25th October 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
25 th October 2024	78015	95800
24 th October 2024	78246	97493
23 rd October 2024	78692	98862
22 nd October 2024	78251	98372

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2754.60	19.50	0.71
Silver(\$/oz)	DEC 24	33.78	-0.04	-0.13

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	893.80	0.00
iShares Silver	14,936.88	95.01

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2719.25
Gold London PM Fix(\$/oz)	2731.45
Silver London Fix(\$/oz)	33.15

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2755.5
Gold Quanto	DEC 24	78552
Silver(\$/oz)	DEC 24	33.76

Gold Ratio

Description	LTP
Gold Silver Ratio	81.55
Gold Crude Ratio	38.38

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	257959	15870	242089
Silver	56726	9366	47360

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	19639.39	58.55	0.30 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
28th October 06:00 PM	United States	NO DATA	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold looks to be headed for its third weekly advance on Friday after the latest US data reaffirmed bets the Federal Reserve will conduct its monetary easing in a measured way. Sentiment among US consumers increased in October to a six-month high as households grew more upbeat about buying conditions, partly because of cheaper financing costs. The University of Michigan's measure of buying conditions for durable goods also rose to a four-month high as more than half of consumers indicated they expect further interest-rate relief in the coming year. Recent economic data have underscored economic resilience in the US, causing traders to scale back expectations for aggressive easing by the Fed. They will now focus on data due next week for cues on the scale of the US central bank's loosening policy. Lower rates tend to benefit bullion as the metal doesn't pay interest. Gold has surged by about a third this year, peaking at \$2,758.49 on Wednesday. The rally has intensified in recent months as geopolitical risks in the Middle East are boosting haven demand and traders assess risks from the upcoming US presidential election. Money managers have played their part, with hedge funds raising net-long positions in gold and investors adding to exchange-traded fund holdings. If price moves hold, bullion is set for a weekly gain of about 0.6%, despite strength in the US dollar and bond yields, which tend to drive gold prices lower.

□ Silver has shifted its \$30-an-ounce resistance to support, but that it required record-setting gold could suggest what's driving the move. Considered leveraged gold, silver appears to be trading more like industrial metal copper. About \$40 is the next silver resistance level above \$35. Sustaining below \$30 would indicate weakness. Silver is in an uptrend, with \$30-an-ounce resistance since 2020 becoming support. At about \$34 on Oct. 24, the metal is bumping up against the next good ceiling around \$35 from 2012. Sustaining below \$30 would indicate a failure of the breakout, but revisiting this support threshold could be typical for the commodity sometimes called "the devil's metal" due to its propensity for unusual volatility. Our graphic shows silver catching up to gold; which may augur a top risk to the white metal if the benchmark precious backs up. Silver's annual volatility is about 2X gold's and it may be transitioning to trade more like industrial metal copper. Resistance levels above \$35 are less defined, and \$40 is likely next. If gold remains on a record-setting run, \$50 silver may be a matter of time. Enduring silver resistance around \$30 an ounce has been topped, but that it took record-setting gold may suggest what's driving the move. The annual candle chart shows the significance of this threshold since first trading at \$30 in 1979. The way we look at it, every day that silver stays above this level, its foundation firms for higher prices. When the white metal first traded at the Oct. 24 price around \$34 about 45 years ago, the gold/silver cross was closer to 30 vs. 80 now. Demonetizing silver has been a centuries-long process for gold, which we expect to continue, especially if risk assets led by the US stock market have some back-and-fill.

□ Gold prices are at record highs. But disappointing results at the world's largest miner of the yellow metal signals companies may be struggling to take full advantage of sizzling demand. Newmont Corp. shares posted their biggest daily drop since 1997 on Thursday, tumbling 15% after the Denver-based company posted earnings, revenue and profit margins that fell short of analysts' estimates in the third quarter, dragged down by higher costs. The stock traded a further 3% lower on Friday, with top rivals Barrick Gold Corp. and Agnico Eagle Mines Ltd. also retreating. Analysts had high hopes for the industry. Gold has surged more than 30% this year, while fuel prices — one of the miners' key expenses — have been easing. But Newmont's results revealed that big gold producers are still wrestling with inflationary pressures, especially regarding labor costs, that have lasted longer than expected. "There's a potential read-through here, assuming Newmont's takeaways are accurate, that this is a risk factor for the industry," said Josh Wolfson, a mining analyst with Royal Bank of Canada. Newmont earned 80 cents a share, well short of the average estimate of 89 cents among analysts surveyed by Bloomberg. Revenue of \$4.61 billion also trailed estimates, as did its gross profit margin, which slipped below 50%. The company said it spent more to dig up the precious metal at its mines in Australia, Canada, Peru and Papua New Guinea than in the previous quarter. Capital expenses rose 10% due to expansion projects in Australia and Argentina, while some of the company's highest expenses came from major assets it picked up through last year's \$15 billion takeover of Newcrest Mining Ltd. Some of those cost issues are specific to the company, and not necessarily indicative of a broader industry trend. Newmont is undertaking costly maintenance work at its Lihir mine in Papua New Guinea — a notoriously complex operation in a remote region — and it spent more to restart its Cerro Negro mine in Argentina after operations were paused due to the deaths of two workers in April. But the company's growing costs for workers could signal trouble across the industry.

□ Investors are continuing to load up on gold ahead of the US election as a hedge against inflation and populism, according to strategists at Bank of America Corp. The precious metal hit a record high on Wednesday and gold funds recorded their biggest weekly inflow since July 2020, a team led by Michael Hartnett wrote. Other recent popular trades, such as selling bonds and buying artificial intelligence stocks, are holding up ahead of the Nov. 5 election, the strategists said. The yield on US 10-year government bonds briefly breached 4.2% this week, the highest level since July, while shares of US chip company Nvidia Corp. hit an all-time high. The gold trade is part of a wider investor strategy to position portfolios against a possible win for Donald Trump in the election. The US dollar has also rallied on bets a win for the Republican candidate would trigger a rebound in inflation, a rising budget deficit and a potential trade war with China. Hedge funds haven't been this bullish on the dollar since June 2021, the BofA strategists said, citing CFTC data. The BofA team also noted that investors are placing bets against China despite recent stimulus measures. Low payrolls data pointing to a recession could dent investor confidence about some of these trades and trigger a rotation from stocks to bonds, the strategists said. The impact of the presidential election on inflation could also motivate the Federal Reserve to reverse gear and raise rates instead of cutting them, they said. The contest between Trump and Kamala Harris is currently very tight according to polls in swing states, while betting odds currently favor the Republican candidate.

Fundamental Outlook: Gold and silver prices are trading slightly lower today on the international bourses. We expect gold and silver prices to trade range-bound to marginally higher for the day; as gold prices edged lower from near record-high levels after Israeli strikes on Iran over the weekend appeared to be more restrained than many expected.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2700	2720	2750	2770	2795	2810
Silver – COMEX	December	33.20	33.45	33.70	33.85	34.15	34.45
Gold – MCX	December	77650	77900	78200	78550	78800	79000
Silver – MCX	December	94300	95500	96500	97100	97800	98500

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
104.06	-0.37	-0.36

Bond Yield

10 YR Bonds	LTP	Change
United States	4.2399	0.0282
Europe	2.2900	0.0250
Japan	0.9560	-0.0080
India	6.8500	0.0290

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.7078	0.0432
South Korea Won	1390.1	9.5500
Russia Rubble	97.2501	1.0626
Chinese Yuan	7.1215	0.0016
Vietnam Dong	25376	-22.0000
Mexican Peso	19.9867	0.1775

NSE Currency Market Watch

Currency	LTP	Change
NDF	84.21	0.0300
USDINR	84.09	0.0075
JPYINR	55.6625	-0.0125
GBPINR	109.1675	0.0550
EURINR	90.985	0.1825
USDJPY	151.85	0.0300
GBPUSD	1.2962	-0.0033
EURUSD	1.0825	0.0022

Market Summary and News

□ Indian bonds fell as foreigners sold index-eligible debt for a third successive week. The rupee ended steady. Foreigners sold 37.5b rupees of FAR bonds so far this week, according to data from Clearing Corp. of India as of 5pm. 10-year yields up 3bps to 6.85%. India sold 320b rupees of bonds as planned: RBI. USD/INR little changed at 84.0813. Asian FX such as INR and IDR are sensitive to macro stability indicators such as inflation, real policy rates and current account deficits, as well as growth and yield differentials, according to a MUFG note. While Fed rate cuts and the associated better risk sentiment will drive inflows into these currencies, these macro stability indicators also matter. Macro stability looks quite decent for INR and IDR, although MUFG still expects wider current account deficits to lead to underperformance in both INR and PHP relative to other Asian currencies heading into 2025. Indian sovereign bonds may remain under pressure in the short term as a hawkish RBI fuels foreign debt outflows, according to Bloomberg Economics. Other negative factors include a US bond selloff on prospects of slower Fed rate cuts, a fall in surplus liquidity in India's banking system, and a weaker rupee due to a shift in foreign equity capital to China. Still, BE expects bonds to resume a bull run in early February, when most of these factors are likely to start reversing.

□ The dollar rose against all Group-of-10 peers and headed for its fourth weekly advance. The yen extended losses as investors eye Japan's general election Sunday. The Bloomberg Dollar Spot Index up 0.3%, with buying picking up in NY afternoon. Gauge is set for fourth weekly advance, longest streak since June, and is heading for best month in two years on support of so-called Trump trades. US durable goods orders fell in September but beat estimates; US consumer sentiment rose in October to six-month high. USD/JPY rises 0.2% to 152.14; earlier, pair fell as much as 0.2%. Pair set for a fourth week of gains, the longest streak since April. Japan's ruling coalition risks losing its majority in the lower house of parliament for the first time since 2009, which may trigger more losses in the yen. Governor Kazuo Ueda said the Bank of Japan has time to consider its next policy steps, signaling officials won't hike interest rates next week. Buttressing the case for an unchanged stance was data showing that inflation in Tokyo slowed below 2% for the first time in five months. EUR/USD drops 0.3% to 1.0799 session low and breaking below 1.08 level; down 0.6% this week, a fourth consecutive decline. Inflation expectations of consumers in the Eurozone continued declining in September, according to the ECB. Governing Council member Boris Vujcic said he hasn't decided what outcome should be reached at the final interest-rate meeting of the year. GBP/USD reverses gains and is down 0.1% to 1.2965. USD/CAD rises 0.2% to 1.3888 as oil futures fall. Loonie is down 2.6% in October, on pace for worst month since Sept. 2022.

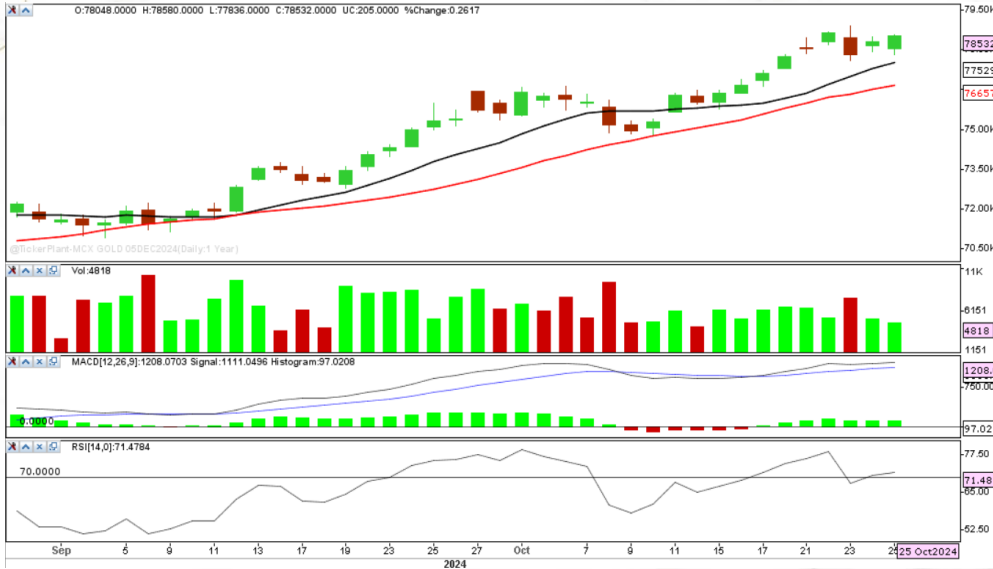
□ Emerging-market currencies posted a fourth week of declines, the longest losing run in two years, as investors trim positions in riskier assets ahead of the US election. MSCI Inc.'s EMFX index fell 0.1% Friday; currencies in Mexico, Philippines, Brazil and South Korea were among the worst performers. The prospect of Donald Trump's return as the US president, along with his plans to raise import tariffs, has sparked turbulence across emerging markets. Mexico's peso is seen as the most vulnerable to Trump-fueled losses if its top trading partner imposes tariffs and the currency has slumped back to trade near the key 20/USD level. The Colombian peso is facing concerns about the financing of the 2025 budget while Brazil's real has been hurt by worries about heightened public spending. The Philippine peso may again hit its record low of 59 against the dollar "over time" if geopolitical worries and risks related to the US election don't dissipate, central bank Governor Eli Remolona Jr. said in an interview. Ecuador's dollar bonds slipped as the nation extended its daily blackouts while Argentina's hard currency debt was among the top gainers in emerging markets this week amid optimism about Milei's progress in stamping out triple-digit inflation and reversing years of endemic budget deficits. MSCI's equity gauge was little changed on Friday after slumping 1.8% this week, the most in seven weeks. Turkish officials are discussing easing a short-selling ban in hopes of attracting more overseas capital, people familiar with the matter said. Brazilian miner Vale advanced after its earnings report and news it had reached a BRL170b (\$29.9b) settlement for a 2015 tailings dam collapse. Chinese stocks advanced as the top legislative body scheduled its highly anticipated session for Nov. 4-8, with investors watching for any approval of fiscal stimulus.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.9950	84.0225	83.0575	84.0825	84.1225	84.1675

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	78048
High	78580
Low	77836
Close	78532
Value Change	205
% Change	0.26
Spread Near-Next	498
Volume (Lots)	4818
Open Interest	14663
Change in OI (%)	-0.31%

Gold - Outlook for the Day

BUY GOLD DEC (MCX) AT 78200 SL 77900 TARGET 78550/78800

Silver Market Update



Market View	
Open	96701
High	98069
Low	95620
Close	97134
Value Change	102
% Change	0.11
Spread Near-Next	2418
Volume (Lots)	20017
Open Interest	23061
Change in OI (%)	-2.22%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 96500 SL 95500 TARGET 98000/99000

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	84.0750
High	84.0975
Low	84.0600
Close	84.0900
Value Change	0.0075
% Change	0.0089
Spread Near-Next	-0.7630
Volume (Lots)	413170
Open Interest	1951563
Change in OI (%)	-4.40%

USDINR - Outlook for the Day

The USDINR future witnessed flat opening at 84.18, which was followed by a session where price shows consolidation with negative buyer with candle enclosure near open. A doji candle has been formed by the USDINR price closed around 10-days moving average placed at 83.17 levels. Price was consolidating in small range for last 6-days. On the daily chart, the MACD showed a positive crossover below zero-line, while the momentum indicator, RSI trailing between 53-56 levels shows positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 84.15 and 84.25.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR NOV	84.1075	84.1350	84.1625	84.2050	84.2275	84.2450

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