



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 01st December 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	48114	48101
Gold	995	47921	47908
Gold	916	44072	44061
Gold	750	36086	36076
Gold	585	28147	28139
Silver	999	62008	62055

* Rates are exclusive of GST as of 30th November 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
30 th November 2021	48101	62055
29 th November 2021	48124	63046
26 th November 2021	48466	63612
25 th November 2021	47687	63308

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Feb	1776.50	-8.70	-0.49
Silver(\$/oz)	Mar	22.82	-0.04	-0.16

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	26th November 2021	1777.4
Gold Quanto	25th November 2021	47626
Silver (\$/oz)	26th November 2021	22.87

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	992.85	0.00
iShares Silver	17,067.79	-17.26

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1797.60
Gold London PM Fix(\$/oz)	1804.40
Silver London Fix(\$/oz)	22.87

Weekly CFTC Positions

	Long	Short	Net
Gold	1,66,186	47,457	1,18,729
Silver	54,843	24,956	29,887

Gold Ratio

Gold Silver Ratio	77.87
Gold Crude Ratio	26.84

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14118.10	-48.97	-0.35%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
01 st December 06:45 PM	United States	ADP Non-Farm Employment Change	525K	571K	HIGH
01 st December 08:15 PM	United States	Final Manufacturing PMI	59.1	59.1	LOW
01 st December 08:30 PM	United States	Fed Chair Powell Testifies	-	-	HIGH
01 st December 08:30 PM	United States	ISM Manufacturing PMI	61.3	60.8	HIGH
01 st December 08:30 PM	United States	Treasury Sec Yellen Speaks	-	-	MEDIUM
01 st December 08:30 PM	United States	ISM Manufacturing Prices	85.5	85.7	LOW



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold erased gains after Federal Reserve Chair Jerome Powell said the strong U.S. economy and elevated inflation could warrant ending the central bank's asset purchases sooner than planned next year. The dollar erased steep losses in response while Treasury yields rebounded, denting bullion's appeal. Investors bet that a sooner end to the taper could lead to interest rates being raised earlier than previously anticipated. Fed officials have consistently said they want to wrap up the taper before increasing borrowing costs from near zero, where they've been since the onset of the pandemic in March 2020. Traders are still assessing the uncertain outlook for growth. Economists are warning that possible new lockdowns risk derailing plans to withdraw monetary stimulus, while reinforcing the same imbalances that have fuelled the current wave of surging consumer prices.
- A top Swiss gold trader is targeting industrial clients as banks back away from the precious metals business. MKS PAMP SA said on Tuesday it was merging its refining and trading operations. The company plans to lure more customers from the electronics and industrial sectors -- offering hedging services and supply contracts -- after banks cut back or withdrew from precious metals in recent years. "We have so far been servicing the investment side of gold," MKS PAMP Chief Executive Officer Marwan Shakarchi said in an interview from Geneva. "Now we are looking for opportunities to service the industrial side." Gold traders profited from price swings during the pandemic, including the unprecedented arbitrage opportunity between the London and New York markets in 2020. Having its own refinery helped MKS PAMP to take advantage of the arbitrage in an "almost a riskless way," Shakarchi said.
- Exchange-traded funds added 128,836 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 8.56 million ounces, according to data compiled by Bloomberg. The purchases were equivalent to \$229.9 million at yesterday's spot price. Total gold held by ETFs fell 8 percent this year to 98.5 million ounces, the highest level since Oct. 18. ETFs also added 206,371 troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 18.6 million ounces.
- Federal Reserve Chair Jerome Powell said the strong U.S. economy and elevated inflation could warrant ending the central bank's asset purchases sooner than planned next year, though the new omicron strain of Covid-19 poses a fresh risk to the outlook. "It is appropriate, I think, for us to discuss at our next meeting, which is in a couple of weeks, whether it will be appropriate to wrap up our purchases a few months earlier," Powell said Tuesday. "In those two weeks we are going to get more data and learn more about the new variant." Powell made the comment in response to questions during a Senate Banking Committee hearing in Washington. The Fed is currently scheduled to complete its asset-purchase program in mid-2022 under a plan announced at the start of November; policy makers next meet Dec. 14-15, where they could make a decision to accelerate the tapering. The remark triggered a sharp response in financial markets. Stocks fell and the U.S. Treasury yield curve flattened as investors bet that a sooner end to the taper could lead to interest rates being raised earlier next year than previously anticipated. Fed officials have consistently said they want to wrap up the taper before increasing borrowing costs from near zero, where they've been since the onset of the pandemic in March 2020.
- Germany's incoming chancellor, Olaf Scholz, said his government will need to take action if inflation doesn't ease from its current high. Rising prices in Europe's biggest economy are a result of generous government spending to address the coronavirus pandemic as well as spiking energy costs, and they can't be accepted over the longer term, Scholz said Tuesday in an interview with Bild TV. He referred to analysts' predictions that inflation, now at 6%, is set to ease. "If that isn't the case, we have to do something," Scholz said, without specifying what that action might entail. "We should not be aiming for high inflation like we have today," he said, adding that price developments "must be very, very closely monitored" in case forecasts that they will ease are wrong.
- **Fundamental Outlook:** Gold and silver prices are trading slightly positive today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly higher for the day. We continue to recommend buying on dips in intra-day trading sessions after Federal Reserve Chair Jerome Powell said officials should weigh removing pandemic support at a faster pace, potentially paving the way for earlier-than-expected interest-rate hikes. Bullion posted a marginal loss last month as investors weighed the prospects of the Fed dialling back on pandemic-era stimulus amid elevated consumer prices, with the uncertainty surrounding the omicron variant's impact on the global recovery.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1750	1765	1780	1800	1825	1855
Silver – COMEX	December	22.50	22.80	23.00	23.40	23.65	23.90
Gold – MCX	February	47280	45500	47750	47950	48100	48400
Silver - MCX	March	60800	61500	62200	62750	63500	64100



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
95.99	-0.35	-0.36

Bond Yield

10 YR Bonds	LTP	Change
United States	1.4443	-0.0544
Europe	-0.3510	-0.0320
Japan	0.0570	-0.0190
India	6.3260	-0.0090

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6237	0.0156
South Korea Won	1188.05	-4.9500
Russia Ruble	74.0795	-0.5185
Chinese Yuan	6.3644	-0.0238
Vietnam Dong	22729	44
Mexican Peso	21.4513	-0.2258

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.3	-0.05
USDINR	75.3725	0.0725
JPYINR	66.8075	0.4175
GBPINR	100.6375	0.035
EURINR	85.67	0.5875
USDJPY	112.77	-0.7
GBPUSD	1.3341	-0.0017
EURUSD	1.1366	0.0064

Market Summary and News

- The Reserve Bank of India is likely to keep its policy repo rate unchanged and maintain an accommodative stance at its Dec. 8 review. The question arising is whether it will lift its fixed reverse repo rate, which currently determines overnight money market rates. The overnight interest swap market is pricing in a 35 basis point hike in the reverse repo rate to 3.7% at the December meeting. The RBI is likely to keep the reverse repo rate on hold at 3.35% until February 2022. Recent fuel tax cuts are likely to provide comfort to the central bank that inflationary pressures should remain contained in the near term. A highly-dovish Governor Shaktikanta Das would prefer to wait a bit longer to see the economy's recovery on a firmer footing before that rate goes up thus most likely to maintain the policy report rate at 4%. RBI will probably stick to its projection for inflation to average 5.3% in fiscal 2022, taking comfort from the recent fuel tax cuts, which counter upside pressures from fading base effects and rising input costs for firms. The expectation remains inline for fiscal 2022, but might breach the RBI's 6% target ceiling in 3Q 2022 averaging at 6% in fiscal 2023. The RBI is likely to retain its 9.5% GDP growth forecast for fiscal 2022. It has recently noted the economy has gained strength but that global headwinds have increased. With the recovery gains ground with rapid reopening of the economy. But headwinds from softening external demand, global supply bottlenecks, inflationary pressures and expected Federal Reserve tapering are likely to temper the strength of the rebound. Thus likely to come around 8.5 – 8.9%.
- Federal Reserve Chair Jerome Powell, in his first public remarks on the omicron variant of the coronavirus, said it poses risks to both sides of the central bank's mandate to achieve stable prices and maximum employment. "The recent rise in Covid-19 cases and the emergence of the omicron variant pose downside risks to employment and economic activity and increased uncertainty for inflation. Greater concerns about the virus could reduce people's willingness to work in person, which would slow progress in the labour market and intensify supply-chain disruptions," Powell said in prepared testimony released Monday, a day ahead of his appearance before the Senate Banking Committee. Powell, in the relatively brief text, didn't discuss specific monetary policy actions or the possibility of changing the pace of the tapering of its asset purchases, a key issue that other officials have flagged in recent remarks. The discovery of the new variant of Covid-19 has triggered fresh uncertainty over the economy. Governments around the world stepped up restrictions on travel and the World Health Organization warned that the omicron strain could fuel a fresh surge in infections. Despite strong job growth this year, "there is still ground to cover to reach maximum employment for both employment and labour force participation, and we expect progress to continue," Powell said, adding that joblessness continues to fall "disproportionately" on Blacks and Hispanics. Even amid the challenges posed by the pandemic, the U.S. economy is powering ahead with estimate for annualized growth to be at 7% from 5% for the final three months of the year. The boom has fuelled high inflation, with consumer prices in October rising at the fastest pace in 30 years.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.6000	74.7800	74.9000	75.2200	75.3500	75.4800



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	48025
High	48500
Low	47663
Close	47805
Value Change	-185
% Change	-0.39
Spread Near-Next	0
Volume (Lots)	9623
Open Interest	10040
Change in OI (%)	0.55%

Gold - Outlook for the Day

In Gold We have seen a pullback in gold prices for which left the yellow metal in green in a last trading session. It seems that the prices are likely to take support around 1750-60. And Bounced as Expected We are recommending buying on dips for the target of 1810-20.

BUY GOLD FEB (MCX) AT 47750 SL 47550 TARGET 48000/48100

SELL GOLD FEB (MCX) AT 48100 SL 48400 TARGET 47800/47700

Silver Market Update



Market View	
Open	62561
High	63420
Low	62088
Close	62287
Value Change	-149
% Change	-0.24
Spread Near-Next	0
Volume (Lots)	16364
Open Interest	10382
Change in OI (%)	1.43%

Silver - Outlook for the Day

Silver witnessed a small pullback and seems the rally is likely to continue.. we are recommending to buy on dips around 22.90-22.80 for target 23.50-70.

SELL SILVER MARCH (MCX) AT 62750 SL 63500 TARGET 62000/61500



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	75.21
High	75.4125
Low	75.07
Close	75.3725
Value Change	0.0725
% Change	0.1
Spread Near-Next	-1.2393
Volume	3147478
Open Interest	1885049
Change in OI (%)	1.18%

USDINR - Outlook for the Day

USDINR had a weak open at 75.21 but thereafter witnessed some profit taking testing the lows of 75.07 and reversing the trend from the same. The pair managed to give closure on bullish note at 75.36. On the daily chart, the pair has formed a green candle with long lower shadow indicating strong support from lower levels. The pair has given closure above all the moving averages supporting the bullish momentum. USDINR if breaches the support of 75.29 will go on to test the lows of 75 and one can go short for the same. However, an open above 75.46 could test the highs of 75.86. The daily strength indicator RSI and momentum oscillator Stochastic both are above their respective reference number indicating strength.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR November	74.8500	75.0800	75.2000	75.4600	75.6000	75.7500



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