



# India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 10<sup>th</sup> June 2021

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	49039	48981
Gold	995	48843	48785
Gold	916	44920	44867
Gold	750	36779	36736
Gold	585	28688	28654
Silver	999	70915	70819

\* Rates are exclusive of GST as of 09<sup>th</sup> June 2021  
Gold in Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	Gold*	Silver*
09 <sup>th</sup> June 2021	48981	70819
08 <sup>th</sup> June 2021	49031	49031
07 <sup>th</sup> June 2021	48806	70750
04 <sup>th</sup> June 2021	48578	70167

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

### COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Aug	1895.50	1.10	0.06
Silver(\$/oz)	July	28.00	0.27	0.98

### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	28 <sup>th</sup> July 2021	1891.6
Gold Quanto	27 <sup>th</sup> July 2021	49144
Silver (\$/oz)	28 <sup>th</sup> June 2021	27.94

### ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,043.16	5.83
iShares Silver	17,953.80	0.00

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1890.45
Gold London PM Fix(\$/oz)	1894.60
Silver London Fix(\$/oz)	27.58

### Weekly CFTC Positions

	Long	Short	Net
Gold	1,02,986	3,51,161	34,474
Silver	52,300	1,23,782	-71,482

### Gold Ratio

Gold Silver Ratio	67.69
Gold Crude Ratio	27.09

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
10 <sup>th</sup> June 06:00 PM	United States	CPI m/m	0.4%	0.8%	High
10 <sup>th</sup> June 06:00 PM	United States	Core CPI m/m	0.5%	0.9%	High
10 <sup>th</sup> June 06:00 PM	United States	Unemployment Claims	370K	385K	Medium
10 <sup>th</sup> June 06:00 PM	Europe	ECB Press Conference	-	-	High

### MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	15189.56	39.66	0.26%



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### Nirmal Bang Securities - Daily Bullion News and Summary

- Gold and other metals fluctuated as investors awaited a U.S. inflation report for indications on when the Federal Reserve may start paring back stimulus. Thursday's consumer price data will be one of the last major economic reports before the Fed's next policy meeting. Silver rose, while copper swung between gains and losses. Precious and base metals, which have received a boost this year from economic stimulus and low interest rates, are being buffeted as traders look for signs that growth will translate into inflation that prompts governments and central banks to withdraw support. Low rates are a boon to metals, which don't offer interest.
- Sudan wants to lure private investment into its gold industry to help revive an economy shattered by years of conflict and dictatorship, Finance Minister Gibril Ibrahim said. The former rebel leader who once fought to overthrow President Omar al-Bashir has been implementing a slew of economic changes since becoming finance chief in February. Sudan is edging toward clearing the bulk of its roughly \$60 billion foreign debt and settling arrears with the International Monetary Fund. Other challenges remain for the transitional government ruling in the wake of Bashir's 2019 ouster, including holding elections, loosening the military's stranglehold over key industries, and taming informal gold production, in which more than 2 million miners participate around the country.
- About one in five central banks intend to increase their gold reserves over the next year, according to a survey by the World Gold Council. Of the 56 institutions surveyed, 21% said they plan to boost their bullion holdings, a marginal increase on the previous year, the WGC said Wednesday. The overwhelming majority don't plan to change their holdings, while no bank intends to cut them. Gold was more popular among central banks in emerging markets, with close to a third saying they would increase their allocation, compared with just 4% of those in developed economies. No institution said it plans to invest in crypto currencies. Central bank interest in gold has revived this year, with both the Thai and Hungarian banks making significant purchases.
- Exchange-traded funds added 33,491 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 6.2 million ounces, according to data compiled by Bloomberg. ETFs cut 1.27 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 49.4 million ounces.

**Fundamental Outlook:** Gold and silver prices are trading lower on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to lower for the day. We recommend sell on rise for intra-day trading session as investors await Thursday's U.S. inflation report that may provide clues on the Federal Reserve's monetary policy path.

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	June	1810	1840	1865	1910	1935	1954
Silver – COMEX	July	27.00	27.40	27.60	28.00	28.30	28.50
Gold – MCX	June	48630	48800	49000	49200	49400	49650
Silver - MCX	July	70000	70700	71400	72000	72500	73000



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### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
90.12	0.04	0.05

#### Bond Yield

10 YR Bonds	LTP	Change
United States	1.4908	-0.0423
Europe	-0.2450	-0.0200
Japan	0.0690	-0.0090
India	6.0160	0.0100

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.0624	0.0282
South Korea Won	1115.2	1.0000
Russia Ruble	72.2979	0.0045
Chinese Yuan	6.3872	-0.0133
Vietnam Dong	22990	26
Mexican Peso	19.7359	0.0273

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	73.25	0.01
USDINR	73.0975	0.0725
JPYINR	66.8175	0.08
GBPINR	103.5725	0.28
EURINR	89.125	0.17
USDJPY	109.41	0.05
GBPUSD	1.4169	0.0026
EURUSD	1.2191	0.0015

#### Market Summary and News

- India's sovereign bonds are marginally lower as traders await the details of the debt RBI will purchase at the third tranche of its govt securities acquisition program on June 17. The rupee ended lower for a second day. RBI will purchase 400b rupees of bonds on June 17, including 100b rupees of state debt. The cues are mixed today with U.S. yields lower and crude higher. So yields are trading largely sideways. Markets are awaiting details of the papers that RBI will purchase under its GSAP auction. RBI will need to buy 3-4t rupees of bonds this fiscal year to support the govt's borrowing program. Benchmark yields are likely to remain at 6% in foreseeable future, that is where RBI is trying to anchor markets currently. One side effect of weaker economic growth is that the current account deficit is looking much better with a \$20b swing and also large capital flows helping the rupee.
- Strength in rupee is reflective of dollar weakness particularly against emerging currencies and that is unlikely to reverse in a meaningful way. Rupee is likely to be anchored around the current levels and don't see case for rupee depreciation. India's 10-year government bond yields have been largely range bound since mid-April, as investors count on the government's cash balances and central bank's active presence to manage FY22 borrowings. This was reinforced by the increase in the size of the RBI's GSAP bond purchase program in 3Q to 1.2t rupees, besides regular market operations and Operation Twists. For FY22, revenues in 2Q21 may take a hit due to the second Covid wave but look up from 3Q. FY22 expenditure faces an upside risk of ~0.4-0.5% of GDP, posing risks to the budgeted deficit of -6.8% of GDP. However, the final math might find some wiggle room from nominal GDP buoyancy (higher deflators) and a likely reprioritization in spending to minimize the risk of a deficit slippage.
- Demand for a key Federal Reserve facility used to help control short-term rates surged to more than half a trillion dollars for the first time ever, accommodating a barrage of cash in search of a home. Fifty-nine participants on Wednesday parked a total of \$502.9 billion at the overnight reverse repurchase facility, in which counterparties like money-market funds can place cash with the central bank. That surpassed the previous record volume of \$497.4 billion from Tuesday, New York Fed data show. Even though the offering rate on the Fed facility is 0%, demand has been increasing as a flood of cash overwhelms U.S. dollar funding markets. That's in part a result of central-bank asset purchases and drawdowns of the Treasury's cash account, which is pushing reserves into the system.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	72.5000	72.6800	72.8200	73.1000	73.2500	73.4800



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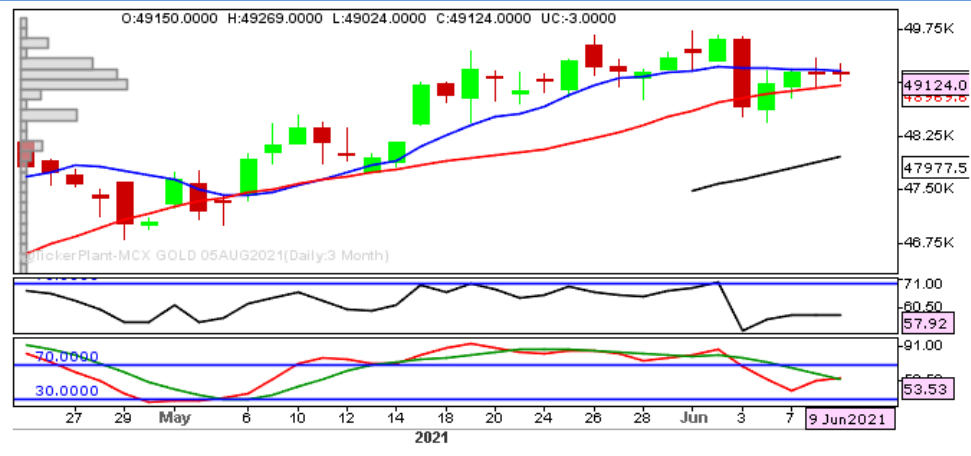
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### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

Open	49150
High	49269
Low	49024
Close	49124
Value Change	-3
% Change	-0.01
Spread Near-Next	0
Volume (Lots)	5041
Open Interest	11529
Change in OI (%)	-1.88%

#### Gold - Outlook for the Day

Gold prices witnessed a sharp uptick. We are recommending going long for a target of 1920-1925. We believe that the commodity can see support at lower levels and bounce back.

**SELL GOLD AUG (MCX) AT 49150 SL 49400 TARGET 48850/48750**

#### Silver Market Update



#### Market View

Open	71356
High	72150
Low	71056
Close	71884
Value Change	653
% Change	0.92
Spread Near-Next	1138
Volume (Lots)	14514
Open Interest	11414
Change in OI (%)	1.52%

#### Silver - Outlook for the Day

Silver too saw a great upside sharply till 28.20-30. We are recommending going long bet 27.80-85 for the target of 28.30-28.40, commodity can see some support around 27.70-80.

**BUY SILVER JULY (MCX) AT 71400 SL 70700 TARGET 72200/72500**



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### Nirmal Bang Securities - Currency Technical Market Update

#### USDINR Market Update



Market View	
Open	73.0425
High	73.175
Low	73.02
Close	73.0975
Value Change	0.0725
% Change	0.1
Spread Near-Next	0.2475
Volume	1500267
Open Interest	2395319
Change in OI (%)	-0.91%

#### USDINR - Outlook for the Day

USDINR witnessed a positive open at 73.04 and remained non-volatile for rest of the session followed by flat closure in green at 73.09. The pair has formed a flat green candle with closure in higher highs and lows but still the momentum is very range bounded. USDINR has given closure below all the important moving averages on the daily chart indicating weakness in the pair. USDINR if opens below 73 will witness the bearish momentum to test the lows of 72.93 – 72.83. However, an open above 73.16 could continue with the momentum towards 73.32 – 73.46. The daily strength indicator RSI and momentum oscillator both are attempting to move towards positive zone but still lacking strength and volume to support it.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR June	72.6000	72.7800	72.9000	73.1800	73.3600	73.5500



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