



# India Bullion and Jewellers Association Ltd.

## Since 1919

**beyond**

powered by

**NIRMAL BANG**  
a relationship beyond broking



Daily Bullion Physical Market Report

Date: 20<sup>th</sup> January 2022

### Daily India Spot Market Rates

| Description | Purity | AM    | PM    |
|-------------|--------|-------|-------|
| Gold        | 999    | 48204 | 48250 |
| Gold        | 995    | 48011 | 48057 |
| Gold        | 916    | 44155 | 44197 |
| Gold        | 750    | 36153 | 36188 |
| Gold        | 585    | 28199 | 28226 |
| Silver      | 999    | 63004 | 63557 |

\* Rates are exclusive of GST as of 19<sup>th</sup> January 2021  
Gold in Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

| Date                          | Gold* | Silver* |
|-------------------------------|-------|---------|
| 19 <sup>th</sup> January 2022 | 48250 | 63557   |
| 18 <sup>th</sup> January 2022 | 48122 | 61602   |
| 17 <sup>th</sup> January 2022 | 48142 | 61759   |
| 14 <sup>th</sup> January 2022 | 48135 | 61859   |

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

### COMEX Futures Watch

| Description   | Contract | Close  | Change | % Chg |
|---------------|----------|--------|--------|-------|
| Gold(\$/oz)   | Feb      | 1845.5 | 30.6   | 1.69  |
| Silver(\$/oz) | Mar      | 24.23  | 0.74   | 3.15  |

### Bullion Futures DGCX

| Description    | Contract           | LTP    |
|----------------|--------------------|--------|
| Gold (\$/oz)   | 27th January 2022  | 1842.9 |
| Gold Quanto    | 24th February 2022 | 48397  |
| Silver (\$/oz) | 27th January 2022  | 24.24  |

### ETF Holdings as on Previous Close

| ETF            | In Tons   | Net Change |
|----------------|-----------|------------|
| SPDR Gold      | 976.21    | 0.00       |
| iShares Silver | 16,443.50 | 0.00       |

### Gold and Silver Fix

| Description               | LTP     |
|---------------------------|---------|
| Gold London AM Fix(\$/oz) | 1817.5  |
| Gold London PM Fix(\$/oz) | 1826.95 |
| Silver London Fix(\$/oz)  | 23.78   |

### Weekly CFTC Positions

|        | Long     | Short  | Net    |
|--------|----------|--------|--------|
| Gold   | 1,34,492 | 46,633 | 87,859 |
| Silver | 50,466   | 32,579 | 17,890 |

### Gold Ratio

|                   |       |
|-------------------|-------|
| Gold Silver Ratio | 76.16 |
| Gold Crude Ratio  | 21.22 |

### MCX Indices

| Index               | Close    | Net Change | % Change |
|---------------------|----------|------------|----------|
| MCX iCOMDEX Bullion | 14138.88 | 180.18     | 1.27%    |

### Macro-Economic Indicators

| Time                             | Country       | Event                          | Forecast | Previous | Impact |
|----------------------------------|---------------|--------------------------------|----------|----------|--------|
| 20 <sup>th</sup> January 07.00PM | United States | Philly Fed Manufacturing Index | 18.9     | 15.4     | Medium |
| 20 <sup>th</sup> January 07.00PM | United States | Unemployment Claims            | 227K     | 230K     | Medium |
| 20 <sup>th</sup> January 08.30PM | United States | Existing Home Sales            | 6.42M    | 6.46M    | Medium |



# India Bullion and Jewellers Association Ltd.

## Since 1919



powered by



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

- Gold held near the highest level in almost two months amid demand for an inflation hedge, while the bond market sell-off stalled and U.S. equities continued to retreat. President Joe Biden said it's the Federal Reserve's job to rein in the fastest pace of inflation in decades, and supported the central bank's plans to scale back monetary stimulus. The yield on 10-year Treasuries slipped from the highest level since January 2020, while the S&P 500 fell 1% Wednesday. Geopolitical tensions are also supporting demand for the haven asset. Biden said he thinks Vladimir Putin will "move in" on Ukraine after amassing more than 100,000 troops on the nation's border, although he suggested a full-scale invasion may not be in the Russian leader's plans. The U.S. president also said this week that he's not ready to lift tariffs his predecessor imposed on Chinese imports. Gold is holding above \$1,800 an ounce after dropping for the first time in three years in 2021 as central banks globally started dialing back on pandemic-era stimulus. Still, bullion's traditional role as an inflation hedge and the sell-off in technology stocks is supporting demand as investors seek refuge in the haven asset.
- Exchange-traded funds cut 42,455 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 6,959 ounces, according to data compiled by Bloomberg. The sales were equivalent to \$77 million at yesterday's spot price. Total gold held by ETFs was little changed this year to 97.9 million ounces. Gold declined 0.8 percent this year to \$1,813.74 an ounce and by 0.3 percent in the latest session. The holdings of State Street's SPDR Gold Shares, the biggest precious-metals ETF, were little changed in the last session. The fund's total of 31.4 million ounces has a market value of \$56.9 billion. ETFs also cut 209,722 troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 750,418 ounces. This was the third straight day of declines.
- Britain's inflation rate surged unexpectedly to the highest since 1992, sharpening a squeeze on households and adding to pressure on the government and Bank of England to respond. Consumer prices surged 5.4% from a year ago in December, driven by a broad increase in the cost of food, drink, restaurant meals and furniture, the Office for National Statistics said Wednesday. Economists had expected a reading of 5.2%. Household spending power is weakening, with the price of everyday goods and services rising faster than wages. Policy makers at the central bank are weighing another increase in interest rates as early as next month, and ministers are looking at ways to soften a surge in utility bills due to hit in April. "I understand the pressures people are facing with the cost of living, and we will continue to listen to people's concerns as we have done throughout the pandemic," Chancellor of the Exchequer Rishi Sunak said in a statement. The strength of inflation is fanning speculation of a rapid cycle of tightening for monetary policy. Strong figures from the jobs market yesterday reinforced that outlook. The BOE last month delivered the first increase since the start of the pandemic and may move again on Feb. 3.

**Fundamental Outlook:** Gold and silver prices are trading marginally lower today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to higher for the day. We recommend buying on dips in intra-day trading sessions in precious metals as investors weighed the outlook for monetary policy against the risks posed by the omicron virus variant to the global economic recovery. The Federal Reserve is likely to raise interest rates in March, with officials saying they may need to implement hikes faster than expected to curb the hottest inflation since the 1980s.

#### Key Market Levels for the Day

|                | Month    | S3    | S2    | S1    | R1    | R2    | R3    |
|----------------|----------|-------|-------|-------|-------|-------|-------|
| Gold – COMEX   | February | 1715  | 1730  | 1750  | 1800  | 1825  | 1840  |
| Silver – COMEX | March    | 21.40 | 21.60 | 21.90 | 22.40 | 22.65 | 22.80 |
| Gold – MCX     | February | 48000 | 48200 | 48350 | 48500 | 48700 | 48850 |
| Silver - MCX   | March    | 62800 | 63400 | 63900 | 64550 | 65200 | 65850 |



# India Bullion and Jewellers Association Ltd.

## Since 1919

**beyond**

powered by

**NIRMAL BANG**  
a relationship beyond broking



### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

| LTP/Close | Change | % Change |
|-----------|--------|----------|
| 95.51     | -0.22  | -0.23    |

#### Bond Yield

| 10 YR Bonds   | LTP    | Change  |
|---------------|--------|---------|
| United States | 1.8646 | -0.0088 |
| Europe        | -0.014 | 0.006   |
| Japan         | 0.144  | 0.001   |
| India         | 6.6    | -0.027  |

#### Emerging Market Currency

| Currency        | LTP     | Change  |
|-----------------|---------|---------|
| Brazil Real     | 5.4461  | -0.122  |
| South Korea Won | 1191.4  | 1.25    |
| Russia Ruble    | 76.2094 | -0.757  |
| Chinese Yuan    | 6.3451  | -0.0079 |
| Vietnam Dong    | 22715   | -40     |
| Mexican Peso    | 20.506  | 0.1009  |

#### NSE Currency Market Watch

| Currency | LTP     | Change  |
|----------|---------|---------|
| NDF      | 74.7    | -0.01   |
| USDINR   | 74.49   | -0.19   |
| JPYINR   | 65.085  | -0.0375 |
| GBPINR   | 101.545 | -0.09   |
| EURINR   | 84.5575 | -0.4975 |
| USDJPY   | 114.45  | -0.16   |
| GBPUSD   | 1.3632  | 0.0019  |
| EURUSD   | 1.1346  | -0.0046 |

#### Market Summary and News

- More than 10% of goods and services in the average British shopping basket are rising in cost at a double-digit pace. Gasoline, electricity, natural gas, second-hand cars and items for babies are among the goods whose price is rising most quickly, according to data from the Office for National Statistics released Wednesday. The figures highlight the cost-of-living crisis hitting consumers, which is threatening to drag down the pace of the recovery and force the Bank of England to raise interest rates again. The headline rate of inflation hit a three-decade high of 5.4% last month. About 13% of the goods and services tracked by the ONS to produce the consumer price index are rising by 10% or more from a year ago. Staples including eggs, butter, milk, beef, lamb and crisps are seeing price gains that outstrip the headline rate, the figures show. Thus, now there's more at stake than an interest-rate hike at next month's Bank of England meeting, giving extra reason to correctly call the decision from the increasingly unpredictable central bank. If it pulls the trigger and raises interest rates to 0.5%, that would be the first back-to-back hikes since 2004. It also opens the door for the BOE to start reducing its record balance sheet by stopping the reinvestment of expired bonds. That would affect 28 billion pounds (\$38 billion) of gilts maturing in March. But while rate increases are a known quantity, so-called quantitative tightening is uncharted territory. For more than a decade, bond holdings have only moved in one direction, meaning there's no playbook for what comes next, when the BOE is no longer the biggest buyer in the market. That has specific implications for the government, creating the risk of a rapid increase in borrowing costs that dents Chancellor of the Exchequer Rishi Sunak's plans to restore order to the public finances.
- India's rupee tracked gains in Asian emerging market currencies, buoyed by a weaker dollar. Bonds also reversed early losses. USD/INR falls 0.2% to 74.4313, snapping three days of gains. The rupee is following cues from regional peers, which mostly advanced against the dollar. 10-year yields fell by 3bps to 6.60%, reversing early losses for a second day. RBI keep some buying support for the 10-year bonds. Intervention tends to increase when yields climb higher than 6.60%. The others category which typically includes the central bank has shown net buying of 8.7b rupees (\$116.9 million) in the past three trading sessions according to CCIL data. India's federal budget, due to be presented on Feb. 1, is likely to provide more clarity on the tax issues preventing government bonds from being listed on the Euroclear platform, according to analysts at Morgan Stanley. India's consumer prices this year are expected to grow the fastest among the world's 10 largest economies.
- Whether the dollar will keep moving in tandem with Treasury yields after a month of divergence is the number one theme for the currency market. Elevated volatility in the fixed-income space becomes once again a main market driver, and FX sees choppy price action driven by stop-loss hunting. Greenback is going through puzzling phase as there is lot of uncertainty accompanied with it at the moment. Well, when that's the case, the dollar is often bought. It's still all about Fed expectations that got even more hawkish this week. The big risk event ahead is next week's FOMC meeting, and it could be that the market is preparing for policy makers to be even more hawkish than priced in as Treasuries hit fresh cycle lows. Fed is seen behind the curve would weigh on the greenback and that four hikes this year, one of them being a 50 basis-point increase, could be key for the central bank to keep investors' woes in check. There is a need Powell to deliver more than his peers over at the Bank of Japan did in terms of expectations if greenback agains want to return to the strong hold.

#### Key Market Levels for the Day

|             | S3      | S2      | S1      | R1      | R2      | R3      |
|-------------|---------|---------|---------|---------|---------|---------|
| USDINR Spot | 73.9000 | 74.0800 | 74.2000 | 74.5100 | 74.6600 | 74.7800 |



# India Bullion and Jewellers Association Ltd. Since 1919

**beyond**

powered by

**NIRMAL BANG**  
a relationship beyond broking



## Nirmal Bang Securities - Bullion Technical Market Update

### Gold Market Update



#### Market View

|                  |         |
|------------------|---------|
| Open             | 47949   |
| High             | 48416   |
| Low              | 47911   |
| Close            | 48377   |
| Value Change     | 451     |
| % Change         | 0.94    |
| Spread Near-Next | 90      |
| Volume (Lots)    | 5692    |
| Open Interest    | 4739    |
| Change in OI (%) | -15.74% |

### Gold - Outlook for the Day

Gold prices last week saw a rally we can see immediate upside till 1840-50, support 1810-1805. Where we can buy the yellow metal for the target of 1850.

**BUY GOLD FEB (MCX) AT 48200 SL 48000 TARGET 48500/48700**

### Silver Market Update



#### Market View

|                  |         |
|------------------|---------|
| Open             | 63150   |
| High             | 64550   |
| Low              | 63037   |
| Close            | 64405   |
| Value Change     | 1386    |
| % Change         | 2.2     |
| Spread Near-Next | 582     |
| Volume (Lots)    | 15144   |
| Open Interest    | 8079    |
| Change in OI (%) | -17.74% |

### Silver - Outlook for the Day

Silver prices are now trading positive, it seems that the price is likely to take support around 22.40-50. It seems that we can buy around 22.50-70 for target 23.20-23.50 soon.

**BUY SILVER MARCH (MCX) AT 63900 SL 63400 TARGET 64700/65200**





# India Bullion and Jewellers Association Ltd.

## Since 1919



powered by



### Nirmal Bang Securities - Currency Technical Market Update

#### USDINR Market Update



| Market View      |         |
|------------------|---------|
| Open             | 74.7025 |
| High             | 74.805  |
| Low              | 74.4575 |
| Close            | 74.49   |
| Value Change     | -0.19   |
| % Change         | -0.25   |
| Spread Near-Next | 0       |
| Volume           | 2654063 |
| Open Interest    | 2203626 |
| Change in OI (%) | -2.14%  |

#### USDINR - Outlook for the Day

USDINR witnessed a positive open at 74.70 with a high of 74.80 followed by a profit taking momentum marking the low at 74.45 with closure near the same at 74.49. On the daily chart, the pair has formed a small red candle with a closure on a weak note indicating profit taking for now. The pair has given closure above short term but holding strong resistance at medium and long term moving averages. USDINR, if gives breakdown to 74.42 the momentum will continue to trade on a weaker note towards 74.20 – 74.05. But momentum above 74.55 would lead momentum towards 74.75 – 74.95. The daily strength indicator RSI and momentum oscillator Stochastic both are both in positive zone indicating bullish sentiment.

#### Key Market Levels for the Day

|                | S3      | S2      | S1      | R1      | R2      | R3      |
|----------------|---------|---------|---------|---------|---------|---------|
| USDINR January | 74.1800 | 74.3000 | 74.6000 | 74.7800 | 74.9700 | 74.1800 |



# India Bullion and Jewellers Association Ltd. Since 1919



**beyond**

powered by

**NIRMAL BANG**  
a relationship beyond broking

Nirmal Bang Securities – Commodity Research Team

| Name                | Designation               | E-mail   |
|---------------------|---------------------------|--|
| Kunal Shah          | Head of Research          | <a href="mailto:kunal.shah@nirmalbang.com">kunal.shah@nirmalbang.com</a>                   |
| Devidas Rajadhikary | AVP Commodity Research    | <a href="mailto:devidas.rajadhikary@nirmalbang.com">devidas.rajadhikary@nirmalbang.com</a> |
| Harshal Mehta       | AVP Commodity Research    | <a href="mailto:harshal.mehta@nirmalbang.com">harshal.mehta@nirmalbang.com</a>             |
| Ravi D'souza        | Sr. Research Analyst      | <a href="mailto:ravi.dsouza@nirmalbang.com">ravi.dsouza@nirmalbang.com</a>                 |
| Smit Bhayani        | Research Associate        | <a href="mailto:smit.bhayani@nirmalbang.com">smit.bhayani@nirmalbang.com</a>               |
| Riya Singh          | Currency Research Analyst | <a href="mailto:riya.singh@nirmalbang.com">riya.singh@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.

**Address:** Nirmal Bang Securities Pvt. Ltd., B2, 301 / 302, 3rd Floor, Marathon Innova, Opp. Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai - 400 013, India