



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 21th October 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	47546	47548
Gold	995	47356	47358
Gold	916	43552	43554
Gold	750	35660	35661
Gold	585	27814	27816
Silver	999	64422	64496

* Rates are exclusive of GST as of 20th October 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
20 th October 2021	47548	64496
18 th October 2021	47384	63110
14 th October 2021	48125	63290
13 th October 2021	47487	62136

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Dec	1784.90	14.40	0.81
Silver(\$/oz)	Sep	24.45	0.56	2.35

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	26th November 2021	1786.7
Gold Quanto	25th November 2021	47519
Silver (\$/oz)	26th November 2021	24.42

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	980.10	0.00
iShares Silver	17,000.01	-95.01

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1778.15
Gold London PM Fix(\$/oz)	1778.00
Silver London Fix(\$/oz)	23.96

Weekly CFTC Positions

	Long	Short	Net
Gold	1,43,474	73,657	69,817
Silver	47,326	42,354	4,972

Gold Ratio

Gold Silver Ratio	73.02
Gold Crude Ratio	21.40

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14209.52	117.51	0.83%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
21 st October 06:00PM	United States	Philly Fed Manufacturing Index	25.1	30.7	Medium
21 st October 06:00PM	United States	Unemployment Claims	298 K	293 K	Medium
21 st October 06:30PM	United States	FOMC Member Waller Speaks	-	-	Medium
21 st October 07:30PM	United States	Existing Home Sales	6.10 M	5.88 M	Medium



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold rose for a second day following commentary from a Federal Reserve official that played down the possibility of imminent rate hikes. Governor Christopher Waller said Tuesday the Fed should begin tapering its bond-buying program next month, though interest-rate increases are probably “still some time off.” Upcoming speeches and discussions by officials including Randal Quarles, Mary Daly and Chair Jerome Powell will also be keenly watched ahead of the central bank’s meeting next month. Bullion has fluctuated recently as traders attempt to gauge the pace at which pandemic-era stimulus will be reined in by central banks. Ongoing inflation, driven by high energy prices and snarled supply chains sparked concerns rate hikes could come sooner than expected, a painful prospect for gold.
- The head of Dubai’s commodity exchange took a swipe at Swiss authorities for telling their refiners to tighten up audits on gold imports from the United Arab Emirates. Switzerland this month wrote to refineries urging that sufficient steps are taken to identify the true country of origin for all gold coming from the UAE. There have been concerns from non-governmental organizations in recent years that regulatory loopholes allow gold linked to conflict and money laundering to trade in Dubai, heightening worries that such metal may end up in Europe via the key refining hub of Switzerland. In a LinkedIn post on Wednesday, the chief executive officer of the Dubai Multi Commodities Centre criticized the Swiss letter and accused authorities there of hypocrisy.
- Exchange-traded funds cut 41,939 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 8.57 million ounces, according to data compiled by Bloomberg. This was the third straight day of declines. The sales were equivalent to \$74.2 million at yesterday's spot price. ETFs added 366,955 troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 22.9 million ounces.
- The U.S. economy expanded at a “modest to moderate rate” while some districts noted growth slowed citing supply constraints and concerns over the delta variant, the Federal Reserve said. Price increases were driven by supply shortages, transportation bottlenecks and labour constraints, the U.S. central bank said in its Beige Book survey released Wednesday. As a result, “most Districts reported significantly elevated prices,” the Fed said. “Many firms raised selling prices indicating a greater ability to pass along cost increases to customers amid strong demand.” U.S. central bankers are assessing the economic fallout from a spike in Covid-19 infections blamed on the delta variant, while pandemic-induced supply disruptions continue to lift prices.
- Employers across the U.S. are struggling to attract and retain talent, and in some areas, vaccine mandates have made it even more challenging to hold onto workers, the Federal Reserve’s Beige Book said Wednesday. The central bank said vaccine mandates were “widely cited” as contributing to high labour turnover, along with child-care issues and Covid-related absences. However, diving into the comments of the five regional Fed banks that mentioned vaccines, the repercussions of mandates varied. Boston: “Manufacturing contacts reported higher labour turnover that some attributed to the lagged effects of the pandemic, and that others had seen in response to vaccine mandates – although one firm said that its vaccine mandate had not caused any quits.” Philadelphia: “Many firms reported imposing vaccine mandates with relatively few resignations.” Richmond: “A few employers expressed concern that federally mandated Covid regulations, such as vaccine requirements, could exacerbate their workforce challenges.”
- **Fundamental Outlook:** Gold and silver prices are trading slightly higher today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly higher for the day. Buy on dips in intra-day trading session is advisable, as traders attempt to gauge the pace at which pandemic-era stimulus will be reined in by central banks amid the spectre of elevated inflation.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1670	1690	1730	1765	1780	1800
Silver – COMEX	December	21.45	21.80	22.20	22.80	23.15	23.54
Gold – MCX	December	46950	47200	47430	47575	47700	47850
Silver - MCX	December	64500	65100	65700	66000	66600	67100



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
93.56	-0.18	-0.19

Bond Yield

10 YR Bonds	LTP	Change
United States	1.6567	0.0195
Europe	-0.1270	-0.0200
Japan	0.0940	0.0060
India	6.3730	-0.0140

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5982	0.0136
South Korea Won	1174.6	-4.5500
Russia Ruble	70.8405	-0.0423
Chinese Yuan	6.393	0.0104
Vietnam Dong	22758	5
Mexican Peso	20.2022	-0.0456

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.07	-0.03
USDINR	74.96	-0.4625
JPYINR	65.5475	-0.4575
GBPINR	103.095	-0.4025
EURINR	87.2	-0.2275
USDJPY	114.26	0.06
GBPUSD	1.375	0.0023
EURUSD	1.1635	0.0037

Market Summary and News

- The Japanese yen should stay weak through the middle of 2022 as the high cost of energy imports adds to the country's trade deficit. Trade balance is likely to remain depressed until the second half of 2022, which is also when domestic factors that could boost the yen may materialize. Oil and LNG imports are traditionally higher between December and March in Japan, and elevated energy prices will exacerbate spending. Outflows may be driven by other central banks accelerating policy normalization ahead of the BoJ, as well as M&As and the operation of a new university endowment fund. The bottom line is that there would be sellers on JPY rallies. The yen remains near December 2018 lows against the dollar.
- Chancellor of the Exchequer Rishi Sunak plans to extend a program of state-backed loans for U.K. businesses, one of the measures to aid the economy's recovery from the worst recession in a century. The Recovery Loan Scheme was due to end Dec. 31 but will now be extended for a further six months, according to a person familiar with the Treasury's plans who asked not to be named because discussions are still underway. Sunak is set to announce the decision in his budget on Oct. 27. Sunak is trying to spur investment and prop up businesses after the recovery hit a weak patch. The economy grew less than expected in August after posting an unexpected drop in gross domestic product in July. That's cast doubt on whether output will return to pre-pandemic levels this year. The loans program is one of a handful of carefully-targeted measures Sunak is planning in the spending round this year. The Treasury wants to avoid the sort of major stimulus that might add to alarm at the Bank of England about inflation and prompt more interest rate increases, people familiar with the chancellor's thinking said earlier this week.
- The UK chancellor unveiled the recovery loans in March in order to help businesses rebuild after the pandemic. Under the program, businesses can borrow as much as 10 million pounds (\$13.8 billion), with the state backing 80% of the lending. The Treasury said at the time that its end date for new entrants of Dec. 31 was subject to review. While data hasn't yet been published on how much money has been loaned out in recovery loans, three predecessor state-backed lending programs issued almost 80 billion pounds worth of loans. While Sunak is acting to shore up businesses, his focus on lending rather than grants also reflects his push to shore up public finances after the government spent some 352 billion pounds (\$479 billion) to fight Covid-19 and protect businesses and jobs. He's said it's his sacred duty to balance the books. Treasury declined to comment on "speculation," saying in a statement that its loan programs have helped 1.6 million businesses with the finance they needed "throughout the pandemic."
- India's rupee jumped by the most in almost two months, outperforming Asian peers as oil prices eased. Bonds also gained. USD/INR climbed 0.6% to 74.8750 on Wednesday, the most since Aug. 30. Oil companies have stopped purchasing dollars as they have accumulated stockpiles for this season. Crude prices have also come down slightly, while coal and gas prices have fallen, which could relieve some pressure on oil demand. There are a few IPOs in the line, so some money may be coming in. The local market holiday on Tuesday may also be boosting the rupee as two days of inflows are coming in at once.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.2500	74.4000	74.6000	74.8800	75.0000	75.1400



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	47355
High	47576
Low	47261
Close	47499
Value Change	219
% Change	0.46
Spread Near-Next	163
Volume (Lots)	7250
Open Interest	11472
Change in OI (%)	-3.04%

Gold - Outlook for the Day

Gold prices trading range-bound. We believe that the metals are trading supportive around 1700-1680 zone so recommending going long for a target of 1770-80. We believe that the commodity can see support at lower levels and bounce back. Try to buy on dips between \$1720-30.

BUY GOLD DEC (MCX) AT 47430 SL 47200 TARGET 47700/47850

Silver Market Update



Market View	
Open	64420
High	65761
Low	64386
Close	65607
Value Change	1157
% Change	1.8
Spread Near-Next	569
Volume (Lots)	17745
Open Interest	9246
Change in OI (%)	-3.32%

Silver - Outlook for the Day

Silver prices too trading range bound. The immediate support is around the 22.24 so we are recommending going long around 22.25-25 Target 22.80-23.

BUY SILVER DEC (MCX) AT 65100 SL 64500 TARGET 66000/66350



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	75.22
High	75.26
Low	74.8775
Close	74.96
Value Change	-0.4625
% Change	-0.61
Spread Near-Next	-0.8268
Volume	2750877
Open Interest	1749626
Change in OI (%)	-10.90%

USDINR - Outlook for the Day

USDINR witness a weak open at 75.22 followed by a strong bearish momentum marking the low at 74.87 with closure near the same at 74.97. On the daily chart, the pair has formed a red candle with a continued closure in lower lows and highs indicating weakness in the pair. The pair has managed to give closure below the short term moving average thus confirming the bearish bias. USDINR if breaches the support of 74.89 will go on to test the lows of 74.75 – 74.67 and one can go short for the same. However, an open above 75.03 could test the highs of 75.15-75.25. The daily strength indicator RSI and momentum oscillator Stochastic both have moved below their respective reference line indicating weakness in the pair.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR October	74.5500	74.7000	74.8800	75.0500	75.2200	75.3300



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