



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 24th January 2022

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	48784	48608
Gold	995	48589	48413
Gold	916	44686	44525
Gold	750	36588	36456
Gold	585	28539	28436
Silver	999	65202	64941

* Rates are exclusive of GST as of 21st January 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
21 st January 2022	48608	64941
20 th January 2022	48705	64476
19 th January 2022	48250	63557
18 th January 2022	48122	61602

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Feb	1834.10	-0.60	-0.03
Silver(\$/oz)	Mar	24.32	0.48	2.00

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	27th January 2022	1832.2
Gold Quanto	24th February 2022	48269
Silver (\$/oz)	27th January 2022	24.41

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)	1834.25
Gold London PM Fix(\$/oz)	1837.60
Silver London Fix(\$/oz)	24.32

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	75.42
Gold Crude Ratio	21.54

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14377.61	-62.47	-0.43%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
24 th January 08:15PM	United States	Flash Manufacturing PMI	56.9	57.7	Medium
24 th January 08:15PM	United States	Flash Services PMI	-	-	Medium



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold headed for a second consecutive weekly gain, even as an advance in inflation-adjusted bond yields diminishes the appeal of the non-interest bearing asset. Bullion is fluctuating near a key resistance level of about \$1,835 an ounce, after a decline in nominal bond yields from a two-year high helped gold advance earlier in the week. On Friday, the metal was weighed down for a second day by a drop in market-based measures of inflation that raises the real return of Treasuries as it generates no interest. Still, the precious metal is managing to hold steady even as central banks turn more hawkish. Volatility in the stock market has helped spur demand for the haven, with the S&P 500 Index on course for its worst week in almost 15 months. Geopolitical tensions between the U.S. and Russia over Ukraine may also be providing support.
- Exchange-traded funds cut 122,077 troy ounces of gold from their holdings in the last trading session, bringing this year's net purchases to 150,798 ounces, according to data compiled by Bloomberg. This was the biggest one-day decrease since Dec. 6. The sales were equivalent to \$224.5 million at yesterday's spot price. Total gold held by ETFs rose 0.2 percent this year to 98 million ounces. Gold advanced 0.6 percent this year to \$1,839.29 an ounce and fell by 0.1 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 18,680 ounces in the last session. The fund's total of 31.5 million ounces has a market value of \$58 billion. ETFs also cut 2.18 million troy ounces of silver from their holdings in the last trading session, bringing this year's net sales to 1.98 million ounces. This was the fifth straight day of declines.
- Jerome Powell and his fellow Federal Reserve policy makers are expected to signal their first interest-rate hike since 2018, paving the way for a March move as the U.S. central bank tries to extinguish red-hot inflation. Financial markets in the coming week will get another read on U.S. inflationary developments when the government issues employment cost data for the fourth quarter. Economists project another solid increase in wages and benefits after the index jumped by a record 1.3% in the prior three months. A separate report is expected to show that U.S. economic growth accelerated at the end of 2021 after a mediocre third-quarter performance, fuelled mostly by a pickup in inventories and a modest gain in consumer spending. Powell and his colleagues have hastened their withdrawal of pandemic support in a hawkish pivot to control price pressures, even as the omicron variant of Covid-19 has hampered economic activity in the early weeks of the New Year. Economists expect them to conclude the Fed's bond-buying program on schedule in March, and also raise rates from near zero at their meeting that month. Some say that an aggressive half-percentage-point hike is warranted to bolster the central bank's inflation-fighting credentials. Goldman Sachs Group Inc. economists led by Jan Hatzius said in a weekend report to clients that they see a risk the Fed will tighten monetary policy at every policy meeting from March, a more aggressive approach than the Wall Street bank currently anticipates.

Fundamental Outlook: Gold and silver prices are trading mixed today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to higher for the day. Gold are steady as investors weighed concerns over a less accommodative Federal Reserve against the plunge in cryptocurrencies, which provided an element of support for the traditional haven asset. The U.S. central bank is expected to signal that it will raise interest rates in March for the first time in more than three years and shrink its balance sheet soon after.

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	47900	48050	48300	48570	48800	49000
Silver - MCX	March	63200	63800	64300	65000	65550	66000



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
95.64	0.23	0.24

Bond Yield

10 YR Bonds	LTP	Change
United States	1.7581	-0.0459
Europe	-0.0670	-0.0400
Japan	0.1370	-0.0100
India	6.614	0.014

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4515	0.0143
South Korea Won	1194.05	1.9000
Russia Ruble	77.4677	0.7772
Chinese Yuan	6.3387	-0.0024
Vietnam Dong	22628	-48
Mexican Peso	20.4734	-0.0629

NSE Currency Market Watch

Currency	LTP	Change
NDF	74.66	-0.06
USDINR	74.4675	-0.0825
JPYINR	65.4075	0.195
GBPINR	100.9675	-0.515
EURINR	84.4325	-0.14
USDJPY	113.83	-0.49
GBPUSD	1.3562	-0.0049
EURUSD	1.1337	-0.0002

Market Summary and News

- Inflation should slow in 2022 as supply-chain blockages and energy prices recede, though it's likely to remain at more than 2% in the euro area for the rest of the year, according to European Central Bank Governing Council member Gabriel Makhoul. Makhoul said he doesn't expect the ECB to raise interest rates in 2022, though policy makers will have to keep a close eye. The big challenge will be to watch for any second-round effects of inflation, such as wages rising without corresponding increases in productivity, he said in an interview. "If we see risks of those sort of second round effects happening then we will definitely be taking action at the European Central Bank to manage that," he said. Euro-area consumer prices rose a record annual rate of 5% in December after a 4.9% increase in November. "We do see inflation falling during the course of this year," the Irish Central Bank governor said. "It'll probably in the euro area stay over 2% throughout the course of this year, but it'll fall from the level it's been at." As economies recover from the pandemic, monetary policy may tighten compared to the last two or three years, though the pace is "uncertain and to be seen," Makhoul said. While the Bank of England raised interest rates in December and the ECB expects the U.S. Federal Reserve to do so at its next meeting, Europe is "probably on a slightly slower track to see what you might describe as normalization," Makhoul said.
- The European Central Bank has every reason not to respond as forcefully as the Federal Reserve to soaring consumer prices, according to President Christine Lagarde. "We're all in very different situations," Lagarde told in an interview. Inflation is clearly weaker in the euro area, while the region's economic recovery is also not as advanced as in the U.S., she said. "We have every reason to not react as quickly and as abruptly as we could imagine the Fed might," Lagarde said. "But we have started to respond and we, of course, stand ready to respond with monetary policy if figures, data, facts, require it." The ECB has come under pressure to act after inflation in the currency bloc hit a record 5% last month. But while officials have agreed to wind down pandemic stimulus, they say an interest-rate increase is highly unlikely this year since the current bout of inflation is driven by supply shocks and a spike in energy costs, and should gradually ease. Under current conditions and inflation forecasts, an increase in interest rates is not expected in 2022. ECB Governing Council members gathering in December cautioned that higher-for-longer inflation could not be ruled out. The Fed, meanwhile, has accelerated its own stimulus exit and signaled that it will start raising rates as soon as March after consumer-price growth reached 7% in December. That's the most in almost four decades and is fueling fears of a cost-of-living squeeze. Financial markets are testing the ECB's resolve to wait out the surge in prices, betting on a rate hike as soon as September.
- India's central bank sold bonds for the ninth successive week in the secondary market, data from the RBI's weekly statistical supplement showed. RBI sold 22.3 billion rupees (\$299.6 million) of bonds in the week to Jan. 14 after it sold 56.4 billion rupees in the week before that. RBI also bought 700 million rupees of bonds in the secondary.
- The process by which the Federal Reserve ultimately shrinks its balance sheet in the coming months or years will be different from the last time officials embarked on so-called quantitative tightening and could include outright sales from its bond portfolio. The last time the Fed undertook QT, from 2017 to 2019, it chose to shrink its balance sheet by simply not replacing Treasuries and mortgage bonds as they matured. The expectation is that policy makers will follow a broadly similar model again, albeit with different timings. The different circumstances now mean it won't necessarily be the same kind of slow and steady process undertaken several years ago. The upcoming bout of QT is more about scraping the paint off the wall. The fresco painted during the first two years of the pandemic is out of date. Inflation is a problem and so are financial excesses. That stands in contrast to the previous episode in which the Fed gradually tightened until it not only hit, but pushed past the so-called lowest comfortable level of reserves for the system.

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



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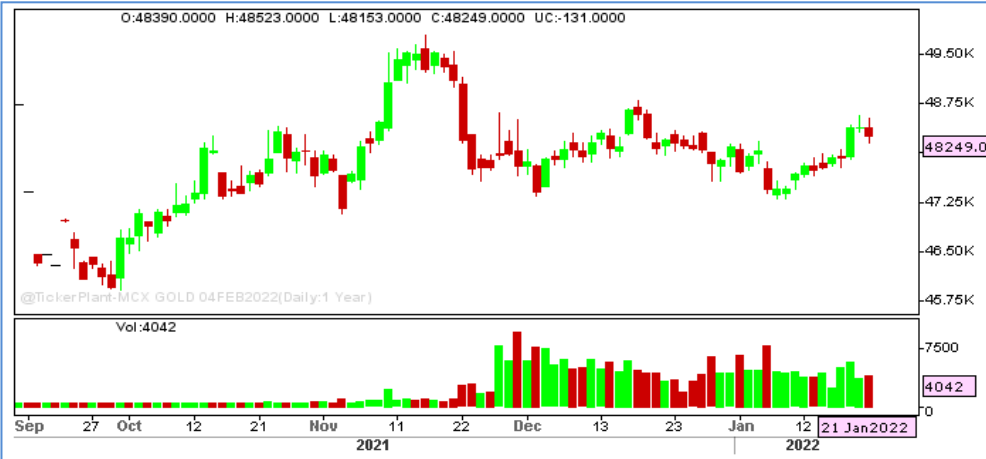


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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

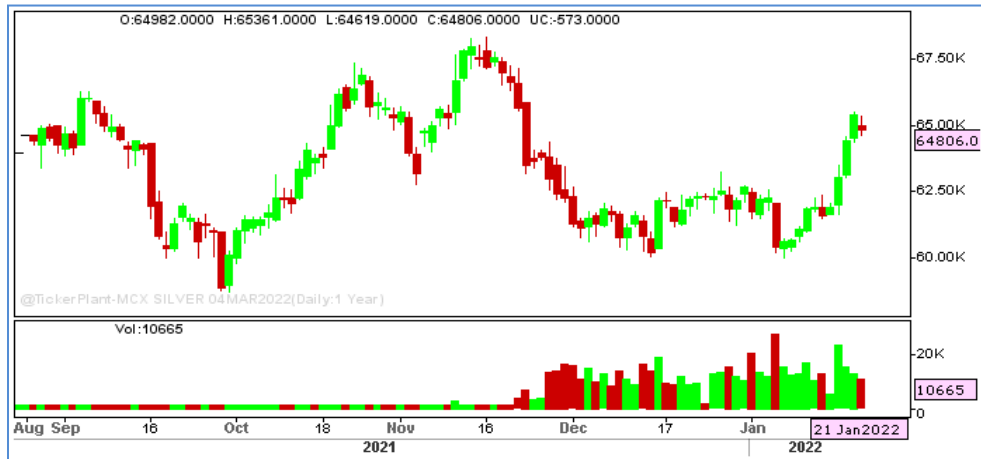
Open	48379
High	48557
Low	48310
Close	48380
Value Change	3
% Change	0.01
Spread Near-Next	76
Volume (Lots)	3669
Open Interest	4256
Change in OI (%)	-11.35%

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 48100 SL 47900 TARGET 48350/48500

Silver Market Update



Market View

Open	64502
High	65499
Low	64385
Close	65379
Value Change	974
% Change	1.51
Spread Near-Next	586
Volume (Lots)	12730
Open Interest	8134
Change in OI (%)	0.68%

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.

SELL SILVER MARCH (MCX) AT 65000 SL 65500 TARGET 64300/64000



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	74.5875
High	74.6275
Low	74.43
Close	74.4675
Value Change	-0.0825
% Change	-0.11
Spread Near-Next	0
Volume	2026998
Open Interest	2131165
Change in OI (%)	-0.79%

USDINR - Outlook for the Day

USDINR witnessed a flat open at 74.51 followed by a zig zag momentum for the entire session with closure in red at 74.46. On the daily chart, the pair has formed a small red candle with sideways closure indicating indecisiveness for now. The pair has given closure above short term but holding strong resistance at medium and long term moving averages. USDINR, if trades below 74.48 the momentum will continue to trade on a weaker note towards 74.30 – 74.15. 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	74.0000	74.1800	74.3000	74.6000	74.7800	74.9700



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