



# India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 27<sup>th</sup> July 2021

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	47926	47949
Gold	995	47734	47757
Gold	750	35945	35962
Gold	916	43900	43921
Gold	585	28037	28050
Silver	999	67270	67555

\* Rates are exclusive of GST as of 26<sup>th</sup> July 2021  
Gold in Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	Gold*	Silver*
26 <sup>th</sup> July 2021	47949	67555
23 <sup>rd</sup> July 2021	47703	67039
22 <sup>nd</sup> July 2021	47670	66766
20 <sup>th</sup> July 2021	48222	66980

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

### COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Aug	1803.40	-2.50	-0.14
Silver(\$/oz)	July	25.32	0.09	0.34

### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	28 <sup>th</sup> July 2021	1797.9
Gold Quanto	27 <sup>th</sup> July 2021	47461
Silver (\$/oz)	27 <sup>th</sup> August 2021	25.25

### ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,025.64	-1.74
iShares Silver	17,275.76	0.00

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1808.15
Gold London PM Fix(\$/oz)	1800.20
Silver London Fix(\$/oz)	25.37

### Weekly CFTC Positions

	Long	Short	Net
Gold	1,52,783	43,968	1,08,815
Silver	53,451	27,204	26,247

### Gold Ratio

Gold Silver Ratio	71.23
Gold Crude Ratio	25.08

### MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14516.99	-10.14	-0.07%

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
27 <sup>th</sup> July 6:30PM	United States	HPI m/m	1.6%	1.8%	Low
27 <sup>th</sup> July 6:30PM	United States	S&P/CS Composite-20 HPI y/y	16.1%	14.9%	Low
27 <sup>th</sup> July 7:30PM	United States	CB Consumer Confidence	123.9	127.3	High
27 <sup>th</sup> July 7:30PM	United States	Richmond Manufacturing Index	20	22	Low



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

- Gold is wavering as traders wait for clues on future monetary policy from the FOMC on Wednesday. The metal is hesitating even after the inflation-adjusted yield on U.S. 10-year debt slipped to a record low, which should have boosted the non-interest-bearing bullion but didn't. The yield on 10-year TIPS is now around the same level as it was in August last year when gold reached an all-time high amid mounting concerns over global growth as economies fought to rebound from the pandemic. Bullion hit a record \$2,075.47 an ounce in early August while U.S. 10-year real rate tumbled below -1.10%. Gold typically has an inverted correlation with real rates as it offers no interest and performs well when real interest rates are below zero.
- The Federal Reserve will maintain a steady policy course this week amid market gyrations and some tempering of economic expectations since the June meeting. Accelerating infection counts attributable to the delta variant mean heightened attention on downside economic risks. Attention does not mean a dovish turn is imminent. Inflation is uncomfortably high, and few economists, including those at the Fed, are yet adjusting their baseline outlooks that generally call for robust growth this year, and above-trend performance in 2022. Bloomberg Economics' view is that the delta variant threatens to moderate the pace of recovery, not fundamentally change the trajectory. Uneven progress on vaccinations does mean there's an extended opportunity for the virus, policy, or behaviour to deliver unwelcome surprises. Data in the coming week will provide key looks at midyear momentum. The advance estimate of second quarter GDP (Thursday) is set to post the high-water mark for the year; monthly consumer spending data for June will lay down a base for 3Q GDP tracking estimates (Friday); June durable goods orders may show a jump in transportation equipment orders, notably aircraft; home sales and price data will also hit the tape.
- Policy hawks at the Federal Reserve are setting their sights on scaling back the U.S. central bank's massive intervention in the mortgage market as home prices soar. But the Fed leadership doesn't sound convinced by arguments in favour of a hasty exit strategy. The debate -- over whether to taper the Fed's purchases of mortgage-backed securities faster than its buying of Treasury debt -- will probably be near the top of the agenda when officials gather July 27-28 to discuss next steps for policy. Economists surveyed by Bloomberg expect them to leave their support in place and be silent on taper timing in their statement, released at 2 p.m. Washington time Wednesday. Pressure on Chair Jerome Powell to begin scaling back bond buying sooner rather than later has probably eased amid concern that spread of the coronavirus delta variant could sap the economic recovery.
- Sales of new U.S. homes dropped unexpectedly in June to the lowest since April 2020, showing a further weakening in demand against a backdrop of elevated prices and tight supply. Purchases of new single-family homes fell 6.6% to a 676,000 annualized pace following a downwardly revised 724,000 in May, government data showed Monday. The median estimate in a Bloomberg survey of economists called for a 796,000 rate. Surging construction costs for everything from labor to transportation to lumber have held back homebuilding in recent months, contributing to skyrocketing prices while the supply of homes remains limited. Some of those supply-chain pressures may ease in the coming months, and lumber prices have retreated quickly from their recent peak. Biden administration officials held a meeting with homebuilding industry representatives recently, with a goal of addressing the housing supply shortage and helping to ease pressures that spurred the surge in prices.

**Fundamental Outlook:** Gold and silver prices are trading slightly lower on international bourses today. We expect precious metals prices on Indian bourses to trade slightly lower for the day. We recommend sell on rise for intra-day trading session, as investors awaited a Federal Reserve meeting where officials are expected to discuss an eventual tapering of stimulus. The Fed will start scaling back asset purchases next year with an emphasis on mortgage-backed securities, according to economists surveyed by Bloomberg, who see the central bank raising interest rates at a quicker pace through 2024 than previously thought.

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	1755	1770	1800	1825	1845	1878
Silver – COMEX	July	24.20	24.65	25.00	25.50	25.80	26.10
Gold – MCX	August	46850	47100	47300	47450	47600	47850
Silver - MCX	July	65700	66200	66800	67000	67550	68000



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### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
92.65	-0.26	-0.28

#### Bond Yield

10 YR Bonds	LTP	Change
United States	1.2896	0.0133
Europe	-0.4190	0.0020
Japan	0.0120	-0.0060
India	6.1700	-0.0620

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.1765	-0.0235
South Korea Won	1155.1	4.3000
Russia Ruble	73.6616	-0.0967
Chinese Yuan	6.4829	0.0016
Vietnam Dong	23012	13
Mexican Peso	20.0366	-0.0299

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	74.52	0.1
USDINR	74.4525	-0.0125
JPYINR	67.54	0.115
GBPINR	102.62	0.3725
EURINR	87.82	0.19
USDJPY	110.22	-0.18
GBPUSD	1.3783	0.0055
EURUSD	1.1792	0.0016

#### Market Summary and News

- Euro-zone banks are set to reopen the cash taps to investors, putting them back among the region's highest-yielding stocks to own. The European Central Bank said Friday evening that it will let a cap on dividends and buybacks expire at the end of September. While it urged banks under its supervision to act with caution, 6 billion euros (\$7.1 billion) is expected to be distributed in the fourth quarter, according to Bloomberg forecasts. The Stoxx 600 Banks Index rallied 1.7%, bucking a decline in European equities. ECB Lifts Restrictions on Bank Dividends as Economy Rebounds the market has been anticipating a surge in bank dividends this year, with euro-area banks dividend futures sharply outperforming the underlying index. BNP Paribas SA, Intesa Sanpaolo SpA, ING Groep NV and KBC Group NV are among banks itching to return excess capital.
- Indian bonds are largely steady as a drop in global oil prices and lower sale of state debt on Tuesday offsets supply concerns after an auction had to be rescued by underwriters. The rupee ends the day little changed. Yield on 6.1% 2031 bond up 1bp at 6.17% after rising by 3bps on Friday; 5.63% 2026 bond yield down steady at 5.68%; 6.64% 2035 yield steady to 6.78%. With RBI devolving the 10-year sale on Friday, the market is expecting some support to the market from the central bank at next week's policy. States to sell 70b rupees of debt Tuesday vs 184b rupees scheduled in the indicative calendar.
- U.S. regulators are wagering a major shakeup of the multitrillion-dollar interest-rate swaps market is just what's needed to wean Wall Street off the London interbank offered rate for good. In a key development in the shift from the discredited benchmark, beginning Monday, swaps desks will switch from Libor to the Secured Overnight Financing Rate when entering most interdealer trades, effectively changing how they hedge their interest-rate risk. The move is designed to ignite a flurry of activity in derivatives tied to SOFR, ensuring enough liquidity to help establish a forward-looking term structure, a critical holdup that's prevented various cash markets from embracing the rate. It's the first step in a renewed effort to push firms toward the benchmark ahead of the year-end deadline to ditch Libor for new transactions and comes amid increasing competition from a slew of new reference-rate providers seeking to carve out their own slice of the post-Libor landscape.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	73.8800	74.1000	74.2200	74.4800	74.6000	74.7500



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### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

Open	47647
High	47784
Low	47420
Close	47461
Value Change	-73
% Change	-0.15
Spread Near-Next	159
Volume (Lots)	6816
Open Interest	4861
Change in OI (%)	-9.32%

#### Gold - Outlook for the Day

Gold prices trading negative, and We are recommending going long for a target of 1840-60. We believe that the commodity can see support at lower levels and bounce back. Try to buy on dips between 1780-90.

**SELL GOLD AUG (MCX) AT 47570 SL 47850 TARGET 47300/47100**

#### Silver Market Update



#### Market View

Open	67156
High	67583
Low	66972
Close	67121
Value Change	97
% Change	0.14
Spread Near-Next	1092
Volume (Lots)	10550
Open Interest	11850
Change in OI (%)	-2.67%

#### Silver - Outlook for the Day

Silver prices too trading ranged bound for the last two weeks. We recommend going long between 25.00-25.70 for the target of 26.50-70.

**BUY SILVER SEPT (MCX) AT 66800 SL 66200 TARGET 67550/67850**





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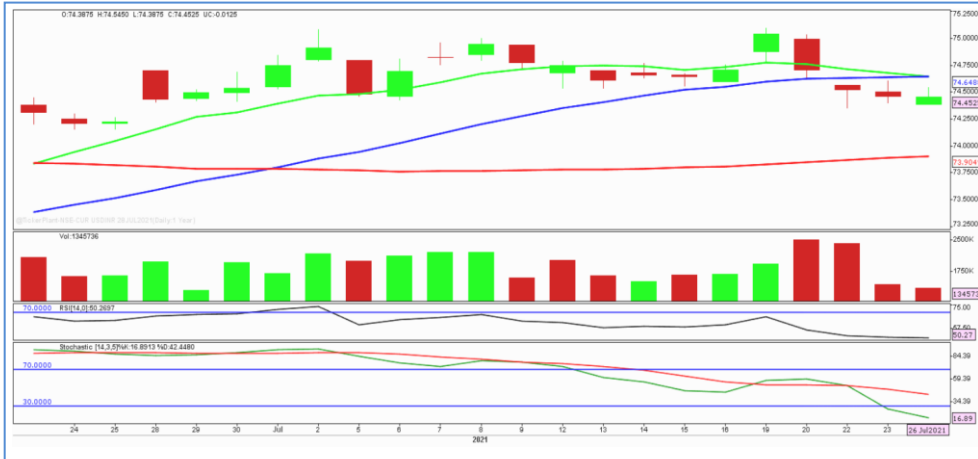


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### Nirmal Bang Securities - Currency Technical Market Update

#### USDINR Market Update



#### Market View

Open	74.3875
High	74.545
Low	74.3875
Close	74.4525
Value Change	-0.0125
% Change	-0.02
Spread Near-Next	0.235
Volume	1345736
Open Interest	1378805
Change in OI (%)	-5.39%

#### USDINR - Outlook for the Day

USDINR witnessed a weak open at 74.38 but reversed the momentum to trade in green though lacking strength to pull through leading the pair to give a flat closure in green at 74.45. The pair has formed a flat green candle with closure in lower lows and highs indicating weakness in the pair. USDINR has given closure below the short term and medium-term moving average while holding support at the long-term moving average. USDINR if opens below 74.37 will witness the bearish momentum to test the lows of 74.20 – 74. However, an open above 74.49 could continue retracing the momentum towards 74.62 – 74.70 – 74.90. The daily strength indicator RSI and momentum oscillator both heading to the negative zone indicating bearish sentiment in the pair.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR July	74.0000	74.1800	74.3200	74.6300	74.7800	74.9900



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