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India Bullion and Jewellers Associations Ltd.

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Daily Bullion Physical Market Report

Date: 29th September 2023

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	57925	57998
Gold	995	57693	57766
Gold	916	53059	53126
Gold	750	43444	43499
Gold	585	33886	33929
Silver	999	70300	70432

Rate as exclusive of GST as of 28th September 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
28 th September 2023	57998	70432
27 th September 2023	58454	70930
26 th September 2023	58933	71557
25 th September 2023	59129	73015

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	Dec 23	1878.60	-12.30	-0.65
Silver(\$/oz)	Dec 23	22.74	0.02	0.07

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	873.64	0.87
iShares Silver	13,749.81	-216.70

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1874.10
Gold London PM Fix(\$/oz)	1873.55
Silver London Fix(\$/oz)	22.55

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	OCT. 23	1883.4
Gold Quanto	DEC. 23	57148
Silver(\$/oz)	DEC. 23	22.83

Gold Ratio

Description	LTP
Gold Silver Ratio	82.61
Gold Crude Ratio	20.48

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	136376	69737	66639
Silver	33542	31186	2356

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	15379.74	-83.50	-0.54 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
29 th September 06:00 PM	United States	Core PCE Price Index m/m	0.2%	0.2%	High
29 th September 06:00 PM	United States	Goods Trade Balance	-91.2B	-90.9B	Low
29 th September 07:15 PM	United States	Chicago PMI	47.5	48.7	Medium
29 th September 07:30 PM	United States	Revised UoM Consumer Sentiment	67.7	67.7	High
29 th September 10:15 PM	United States	FOMC Member Williams Speaks	-	-	Medium



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Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold declined for a fourth straight session as a key technical support gave way, sparking further investor selling. The metal fell as much as 0.9% on Thursday despite a supportive decline in the dollar. The metal's drop took it below the \$1,870-an-ounce mark that analysts had flagged as an important technical level. The move represents a big test for gold, which has slid decisively below \$1,900 after trading sideways for most of the year thanks to repeated dip-buying. Commentary by the Federal Reserve indicating it will keep policy tight for a long period has pushed inflation-adjusted US bond yields to multiyear highs, making bullion less attractive. That has driven steady sales by exchange-traded funds backed by the metal, which accelerated this week. A particularly large outflow came from Blackrock's iShares Gold Trust, which has shed 13 tons of gold this week, according to data compiled by Bloomberg.

❖ Gold is about to face a massive test as prices approach vulnerable levels. The precious metal is finally starting to succumb to a surge in inflation-adjusted bond yields that tend to put pressure on non-interest bearing assets. Gains in the dollar are also pressuring bullion, which is priced in the currency. Prices are hanging on near the psychologically important \$1,900 an ounce mark, but it could face a precipitous drop if buyers don't emerge soon. Over the past 12 months, central bank purchases — driven by a need to find an alternative to the dollar — have underpinned the market even as investors sold up. The latest data indicates that consumption has slowed in recent months. It's hard to know whether that's because of high prices or lower appetite from central banks. The stakes are big with bullion overvalued compared with bonds. There may be some support from Chinese consumers after Beijing permitted more imports. Constrained supply there had sent local prices to near a record premium to international ones earlier this week. The market's focus will now shift to holdings data from bullion-backed exchange-traded funds, which provides a useful proxy for investor demand. ETFs have consistently shed gold since May, albeit at a slow rate that provides only a mild headwind to prices. If investors become spooked by the metal's decline and outflows accelerate, the drop could rapidly become self-fulfilling and lead to a crash.

❖ The Federal Reserve's ability to influence the economy depends on whether "people understand what we are saying," Chair Jerome Powell said, highlighting the importance of work done by economic educators. When Fed officials publish their projections for interest rates and the economy, "one of our goals is to influence spending and investment decisions today and in the months ahead," Powell said in comments prepared for a town hall event with teachers in Washington Thursday. "That will only be the case if people understand what we are saying and what it means for their own finances." The Fed chair didn't comment on his outlook for rates or the economy. Policymakers left the target range for their benchmark rate unchanged earlier this month at 5.25% to 5.5% — a 22-year high. But fresh quarterly projections showed 12 of 19 officials favored another rate hike in 2023, underscoring a desire to ensure inflation continues to decelerate. US central bankers projected fewer cuts than previously anticipated in 2024, in part due to a stronger labor market. Powell said that economic educators are "also conducting monetary policy" through their teaching as they impart knowledge that is instrumental in how the central bank promotes a healthy economy.

❖ Federal Reserve Bank of Richmond President Thomas Barkin said policymakers have time to determine if they need to do more work to cool inflation and that the labor market may offer some insight. "We have time to see if we've done enough, or whether there's more work to be done," Barkin said Thursday in remarks prepared for an event in New York organized by the "The path forward to me depends on whether we can convince ourselves inflationary pressures are behind us, or whether we see them persisting. I will be watching the labor market closely for those signals," he said. While Fed officials agreed this month to leave the target range for their benchmark rate unchanged at 5.25% to 5.5%, fresh quarterly projections showed 12 of 19 officials favored another rate hike in 2023 — underscoring a desire to ensure inflation continues to decelerate. The forecasts also showed US central bankers overall see fewer cuts in 2024 than previously anticipated, in part due to a stronger labor market. The Richmond Fed chief, who doesn't vote on the policy this year, said he supported the decision to hold rates stable this month and that it's difficult to know where demand and inflation are headed. Many employers are still facing labor shortages, and the pandemic spurred shifts in the types of jobs workers want to hold, he noted. Barkin said he expects further tightening to come from the effects of previous rate hikes on the economy. "I don't think it's all in and we're done," he said. Barkin said earlier on Thursday during an interview with Bloomberg Television that it was too early to know if another rate increase would be needed this year, noting that headwinds from a potential government shutdown could create more uncertainty for the economy.

❖ The European Central Bank is prepared to raise interest rates further if inflation proves more stubborn than thought, Governing Council member Joachim Nagel told Central Banking in an interview. "We have done a lot by implementing 10 hikes so far," he was quoted as saying. "Maybe more will be on the way if the data indicate that further action is warranted." Inflation is slowing in most parts of the 20-nation euro zone but is only seen returning to the ECB's 2% target in the second half of 2025. Any delay to that scenario will likely embolden policy hawks such as Nagel to push for additional rate increases. A softening economy will likely help cool price pressures. Manufacturing has been mired in a slump for more than a year and services are now showing signs of weakness too. Still, Nagel expressed confidence that a major economic meltdown can be avoided. "My baseline scenario is that we could end this cycle of rate hikes with a soft landing," he said in the interview, which was conducted Sept. 18.

Fundamental Outlook: Gold and silver prices are trading mix on the international bourses. We expect gold and silver prices to trade range-bound to slightly lower for the day, as gold prices headed for its biggest weekly decline in eight months, with the higher-for-longer interest rate environment taking its toll on the precious metal. Commentary by the Federal Reserve indicating it will keep policy tight for a long period has pushed inflation-adjusted US bond yields to multiyear highs. Both higher yields and rates make non-interest bearing bullion less attractive.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	Dec	1850	1865	1880	1895	1910	1928
Silver – COMEX	Dec	22.45	22.65	22.80	23.00	23.25	23.45
Gold – MCX	Oct	57250	57500	57800	58000	58250	58550
Silver – MCX	Dec	69500	70000	70700	71150	71700	72250



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Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
106.22	-0.44	-0.41

Bond Yield

10 YR Bonds	LTP	Change
United States	4.5748	-0.0327
Europe	2.9290	0.0890
Japan	0.7610	0.0200
India	7.2410	0.0710

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.033	-0.0112
South Korea Won	1349.4	0.7000
Russia Rubble	96.8109	-0.2652
Chinese Yuan	7.298	-0.0138
Vietnam Dong	24400	2
Mexican Peso	17.5412	-0.1292

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.28	-0.05
USDINR	83.2925	-0.0375
JPYINR	56.1275	-0.0925
GBPINR	101.635	0.3875
EURINR	87.93	-0.0975
USDJPY	148.3	0.11
GBPUSD	1.2185	0.0044
EURUSD	1.0551	-0.0017

Market Summary and News

❖ Japan's 30-year government bonds dropped, sending the yield to the highest in a decade amid a selloff in global debt. The yield rose one basis point to 1.73% as of 10:16 a.m. in Tokyo on Friday, a peak last seen in 2013, and follows the 20-year yield reaching the highest since 2014 on Thursday. Japanese bonds face pressure on many fronts, from inflation above the central bank's target to elevated Treasury yields and expectations the Federal Reserve will keep borrowing costs higher for longer. Consumer price gains in Japan have remained above the central bank's 2% goal for an extended period, partly fueled by the depreciation of the yen and the wide yield gap with the US. Data Friday showed core consumer prices in Tokyo, which excludes fresh food, climbed 2.5% in September on year. Bank of Japan Governor Kazuo Ueda on Monday stuck with his cautious stance on the outlook for inflation, reinforcing the message he delivered last week indicating an end to negative interest rates isn't around the corner. Global investors and policymakers are keeping a close eye on the possible shift in the Japanese monetary policy because higher yields at home may encourage repatriation of funds by local investors who own debt from the US to Europe to Australia.

❖ The dollar extended its drop while the yen rose for the first day in five as repeated verbal warnings by Japanese authorities over the currency's weakness spurred intervention speculation. The Bloomberg Dollar Spot Index drops 0.4% after six straight days of gains. "Today's dollar weakness is just a simple correction," said Win Thin, global head of currency strategy at Brown Brothers Harriman & Co. in New York. "Looking beyond this move, nothing fundamentally has changed and we see no reason to look for a trend change." "Not sure how long this correction lasts but investors should be looking for an opportunity to go long dollars again at cheaper levels," he added. "Focus has turned in the short-term to the potential US government shutdown, but the downside risks of such an event for USD are limited," analysts at Monex wrote. "Realistically any sort of shutdown – unless it goes on for a much extended period of time – is unlikely to have any large impact on FX markets." US consumer spending advanced at half the pace previously reported for the second quarter, largely due to weaker services outlays. Overall GDP rose at an unrevised 2.1% rate during the period. USD/JPY falls 0.3% to 149.25, retreating from Wednesday's 11-month high of 149.71; Shunichi Suzuki said authorities will take appropriate responses against excessive currency moves, the third straight day of warnings from the Japanese finance minister. EUR/USD up 0.5% to 1.0557. Germany's economy is on course for its first full year of contraction since the pandemic, according to projections by five institutes that advise the government. GBP/USD climbs 0.5% to 1.2192 amid higher Gilt yields. UK government bonds led a global selloff as investors around the world come to terms with the prospect of a protracted period of tight monetary policy. AUD/USD advances 1.1% to 0.6420, taken higher in part by month-end demand by local exporters, according to an Asia-based FX trader. Australian retail sales rose at a weaker pace than expected in August in a sign that the Reserve Bank's rapid interest-rate increases are weighing on the economy.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.8575	82.9575	83.0650	83.1825	82.2825	83.3850



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	58242
High	58310
Low	57741
Close	57846
Value Change	-437
% Change	-0.75
Spread Near-Next	445
Volume (Lots)	6927
Open Interest	15348
Change in OI (%)	7.30%

Gold - Outlook for the Day

SELL GOLD OCT (MCX) AT 58000 SL 58200 TARGET 57700/57500

Silver Market Update



Market View	
Open	70562
High	71148
Low	70312
Close	70600
Value Change	51
% Change	0.07
Spread Near-Next	0
Volume (Lots)	16874
Open Interest	23825
Change in OI (%)	4.65%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 70700 SL 70000 TARGET 71500/72000



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.3725
High	83.38
Low	83.23
Close	83.2925
Value Change	-0.0375
% Change	-0.05
Spread Near-Next	-0.0597
Volume (Lots)	1709722
Open Interest	4055061
Change in OI (%)	2.21%

USDINR - Outlook for the Day

The USDINR future witnessed a flat gap-up at 83.37, which was followed by a session that showed profit taking from higher levels with candle closures near the low. A red candle formed for the USDINR price as it taken the support of 10 day moving average placed at 83.29. On the daily chart, the momentum indicator RSI trailing between 52-56 level, while MACD has made a negative crossover above the zero-line. We are anticipating that the price of USDINR futures will fluctuate today between 83.15 and 83.35.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR October	83.0050	83.1025	83.2050	83.3875	83.4625	83.5850



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