

Daily Bullion Physical Market Report

Date: 09th July 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	72910	72746
Gold	995	72618	72455
Gold	916	66786	66635
Gold	750	54683	54560
Gold	585	42652	42556
Silver	999	91300	91733

Rate as exclusive of GST as of 08th July 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
08 th July 2024	72746	91733
05 th July 2024	72640	90709
04 th July 2024	72469	90018
03 rd July 2024	72226	89698

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	AUG 24	2363.50	-34.20	-1.43
Silver(\$/oz)	SEPT 24	30.91	-0.78	-2.45

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	834.80	0.00
iShares Silver	13,643.21	-45.45

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2371.65
Gold London PM Fix(\$/oz)	2376.65
Silver London Fix(\$/oz)	30.99

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	AUG 24	2366.8
Gold Quanto	AUG 24	72353
Silver(\$/oz)	SEPT 24	30.91

Gold Ratio

Description	LTP
Gold Silver Ratio	76.46
Gold Crude Ratio	28.71

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	191948	13407	178541
Silver	50072	17600	32472

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18851.51	-183.66	-0.97 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
09 th July 06:45 PM	United States	FOMC Member Barr Speaks	-	-	Low
09 th July 07:30 PM	United States	Fed Chair Powell Testifies	-	-	High
09 th July 07:30 PM	United States	Treasury Sec Yellen Speaks	-	-	Medium
09 th July 11:00 PM	United States	FOMC Member Bowman Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold fell on Monday after its biggest weekly advance in three months, with central bank purchases and European equities in focus. Bullion traded near \$2,359 an ounce after rallying by almost 3% last week. The People's Bank of China didn't add to its reserves for a second consecutive month in June, according to the World Gold Council. That may be a cause of concern for investors, said Giovanni Staunovo, a research analyst at UBS Switzerland AG. While bullion declined Monday, European stocks trimmed losses as traders digested the unexpected result of France's snap election. In the lead-up, investors were concerned about the possibility of a far-right takeover with the possibility of major policy changes. But there is some relief as an inconclusive outcome potentially constrains the influence of both the left-wing coalition and Marine Le Pen's National Rally.

□ Exchange-traded funds added 23,743 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 4.26 million ounces, according to data compiled by Bloomberg. This was the fourth straight day of growth. The purchases were equivalent to \$56.8 million at the previous spot price. Total gold held by ETFs fell 5 percent this year to 81.3 million ounces, the highest level since April 22. Gold advanced 16 percent this year to \$2,392.16 an ounce and by 1.5 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 26.8 million ounces has a market value of \$64.2 billion. ETFs also added 489,145 troy ounces of silver to their holdings in the last trading session, bringing this year's net sales to 5.34 million ounces.

□ Money managers have decreased their bullish gold bets by 6,169 net-long positions to 178,541, weekly CFTC data on futures and options show. The net-long position was the least bullish in more than three weeks. Long-only positions fell 5,937 lots to 191,948 in the week ending July 2. The long-only total was the lowest in more than three weeks. Short-only positions rose 232 lots to 13,407. The short-only total was the highest in more than a month. Money managers have decreased their bullish silver bets by 518 net-long positions to 32,472, weekly CFTC data on futures and options show. Long-only positions fell 1,354 lots to 50,072 in the week ending July 2. The long-only total was the lowest in more than 16 weeks. Short-only positions fell 836 lots to 17,600. The short-only total was the lowest in more than 15 weeks.

□ US consumers' near-term inflation expectations declined for the second straight month in June as Americans lowered their outlook for how much they expect home prices and the cost of other goods to rise over the next year. Consumers expect prices will climb at an annual rate of 3% over the next year, down from 3.2% in May, a Federal Reserve Bank of New York survey showed. The shift shows short-term inflation expectations returned to the level that held steady from December until April, when they jumped to 3.3%. The survey lines up with data showing that inflation decelerated in recent months after being more stubborn than expected in the first quarter of this year. A report due Thursday is expected to show that the core consumer price index, which excludes food and energy costs, rose 0.2% in June for a second month. That would mark the smallest back-to-back gains since August, a pace closer to what Fed officials would like to see. The New York Fed survey showed that consumers' expectations for how much home prices will rise over the next year fell to 3% in June from 3.3% in May, returning to the 12-month trailing average. Consumers also said they see the cost of gas, food, medical care and rent rising less rapidly over the next 12 months. Meanwhile, the median outlook for what inflation will be in three years rose slightly to 2.9% in June from 2.8% in May and expected inflation five years ahead dropped to 2.8% from 3%.

□ Jerome Powell will face pressure this week from lawmakers growing impatient for the Federal Reserve to cut interest rates and others who are unhappy with its latest plan to boost capital requirements for Wall Street lenders. The Fed chair heads to Capitol Hill on Tuesday and Wednesday for his semiannual testimony, more than two years after he and his colleagues began hiking rates in a bid to curb surging inflation. The hearings are Powell's last scheduled public address to Congress ahead of the presidential election, and he'll likely have to defend the central bank's higher-for-longer policy stance as well as its claim to be independent of politics. Fed officials in June pared back estimates of how many times they expect to lower borrowing costs this year, signaling they'll hold rates at a two-decade high as they wait for more evidence inflation is headed down to their 2% target. Powell reiterated that message in comments last week, and declined to specify when rate cuts might begin. Recent data indicate the Fed's preferred inflation gauge slowed in May after a bumpy start to the year. A separate measure due Thursday is expected to show underlying inflation posted the smallest back-to-back monthly gains since August. The labor market, however, is also cooling, and some Fed officials are beginning to warn about the risks of further slowing. June job gains, while still solid, were concentrated in health care and government, and prior months were revised lower. The unemployment rate climbed to 4.1%, the highest since late 2021.

Fundamental Outlook: Gold and silver prices are trading higher today on the international bourses. We expect gold and silver prices to trade ranger-bound to higher for the day, as gold prices steadied after dropping by the most in two weeks on Monday - ahead of the Federal Reserve chief's address to the Congress and US inflation data later this week, with both events likely to offer clues on the interest-rate path.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	2320	2345	2375	2385	2410	2435
Silver – COMEX	September	30.70	31.00	31.20	31.40	31.65	31.80
Gold – MCX	August	72000	72200	72400	72700	72900	73150
Silver – MCX	September	91500	92200	92800	93300	93750	94300

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
105.00	0.13	0.12

Bond Yield

10 YR Bonds	LTP	Change
United States	4.2783	0.0000
Europe	2.5380	-0.0160
Japan	1.0950	0.0160
India	6.9900	-0.0030

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4703	0.0102
South Korea Won	1383.45	2.5000
Russia Rubble	87.6251	-0.2988
Chinese Yuan	7.2681	-0.0002
Vietnam Dong	25419	2
Mexican Peso	18.0104	-0.0957

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.54	0.03
USDINR	83.5575	0.005
JPYINR	52.02	-0.035
GBPINR	106.98	0.265
EURINR	90.475	0.04
USDJPY	160.39	0.07
GBPUSD	1.2819	0.0031
EURUSD	1.0839	0.0024

Market Summary and News

□ The dollar traded flat before Jerome Powell's congressional testimony Tuesday. While remarks from the Fed Chair will influence the greenback's short-term directions, the currency's 2024 strength is expected to persist into US election, with or without a dovish twist from Powell. The US dollar tends to gain in the months leading up to November, based on data over the past three decades. Out of the past eight presidential votes, the ICE dollar index was only down twice for the September-October bimonthly period. In 2016 and 2020 when Donald Trump ran for President, the US currency strengthened on both occasions. It's difficult to make a case that "this time will be different," as tariff risks remain front and center in a potential Trump second term. Meanwhile, rate and growth differentials should keep the greenback well-supported, as my colleague Mary Nicola wrote. Risks of a stock-market correction should also help the dollar stay elevated. Since 1992, when the S&P 500 gauge sold off before the election, the ICE dollar index invariably strengthened. This is perfectly in line with the dollar smile theory, which predicts that the greenback will gain during global downturns or in a risk-off environment. After a 14%-plus S&P 500 rally in 1H 2024, warnings of a correction have picked up steam, with Goldman and Morgan Stanley both cautioning about a significant pullback in the coming months. Should the upcoming US earning season disappoint already lofty expectations, worries of a slowdown or a recession in the world's largest economy would lift the dollar further, similar to what happened in 2000 and 2008.

□ Global investors piled into Indian bonds for an eighth straight week, the longest buying streak since March, helped by inclusion of sovereign bonds in JPMorgan Chase & Co.'s emerging-market index. Foreigners bought about \$491 million of rupee-denominated bonds in the week ending July 5, taking the inflows so far this year to \$8.8 billion, according to data compiled by Bloomberg. 10-year yields little changed at 6.99%. "We expect the Indian bond yield curve to remain flat amid favorable demand-supply dynamics, though a lackluster start of the monsoons can put some short-term pressure on yields," Puneet Pal, head of fixed income, PGIM India Mutual Fund wrote in a note. Pal sees the benchmark 10-year bond yield go toward 6.50% by 4Q of FY25. Prime Minister Narendra Modi's new government will present the federal budget for the fiscal year through March 2025 on July 23, a senior minister said Saturday. "We expect the government to stick to the announced fiscal consolidation target of 5.1% of GDP for FY25 (or even better it slightly) and announce further consolidation to below 4.5% of GDP by FY26," Goldman Sachs economists including Santanu Sengupta wrote in a note Monday. "Even if we see some expenditure allocation toward welfare spending, it may not require a reduction in the capex given the higher-than-expected dividend transfer from the RBI last month." "The government can also choose to retire some of its outstanding debt, or quasi government debt with the extra dividend from the RBI, which may result in lower borrowings and thus gross issuance this year by say INR500b to INR13.6t (vs. INR14.1t as per budget estimate)." USD/INR little changed at 83.5025. The RBI drained INR228.9b through a four-day variable rate reverse repo (VRRR) auction vs. an INR750b plan.

□ Emerging-market stocks and currencies gained for a fourth consecutive day as focus shifted to key US inflation data due this week. The Colombian and Mexican pesos led advances, while the forint was hit after the introduction of special taxes on Hungarian banks. The Colombian peso jumped 0.8% versus the greenback. In Mexico, investors are watching for inflation data due Tuesday and President-Elect Claudia Sheinbaum's cabinet appointments on Thursday. The Brazilian real ended the day weaker, after whipsawing on a local news report saying President Luiz Inacio Lula Da Silva will pick Gabriel Galipolo as the next central bank chief. Hungary's stocks and currency fell after Prime Minister Viktor Orban's government again resorted to its tactic of imposing special taxes on banks and other industries to plug gaps in its budget. Israel's central bank held interest rates for a fourth consecutive time, extending a pause likely to stretch for several months. Egypt dollar bonds led gains among peers as Prime Minister Mostafa Madbouly said the new government is targeting an average economic growth rate of 5% over the course of its new program. The International Monetary Fund is set to discuss a review of the fees it charges its biggest borrowers.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.3525	83.4075	83.4555	83.5275	83.5750	83.6175

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	73038
High	73068
Low	72130
Close	72333
Value Change	-718
% Change	-0.98
Spread Near-Next	403
Volume (Lots)	5343
Open Interest	13042
Change in OI (%)	-5.60%

Gold - Outlook for the Day

BUY GOLD AUG (MCX) AT 72200 SL 72000 TARGET 72500/72700
SELL GOLD AUG (MCX) AT 72700 SL 72900 TARGET 72500/72300

Silver Market Update



Market View	
Open	93295
High	93888
Low	92025
Close	92614
Value Change	-940
% Change	-1
Spread Near-Next	2734
Volume (Lots)	17231
Open Interest	23410
Change in OI (%)	-4.28%

Silver - Outlook for the Day

BUY SILVER JULY (MCX) AT 92200 SL 91500 TARGET 93000/93500

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	83.52
High	83.5675
Low	83.4825
Close	83.5575
Value Change	0.005
% Change	0.006
Spread Near-Next	-0.2305
Volume (Lots)	124999
Open Interest	2465513
Change in OI (%)	-0.29%

USDINR - Outlook for the Day

The USDINR future witnessed a gap-down opening at 83.52, which was followed by a session that showed buying from lower level with candle closures near high. A long green candle formed by the USDINR; where price closed above short-term moving averages. On the daily chart, the momentum indicator RSI trailing between 49-53 levels shows positive indication while MACD has made a positive crossover above the zero-line. We are anticipating that the price of USDINR futures will fluctuate today between 83.48 and 83.60.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR JULY	83.4025	83.4575	83.5075	83.5825	83.6325	83.6775

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