

Daily Bullion Physical Market Report

Date: 10th June 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	73033	71913
Gold	995	72741	71625
Gold	916	66898	65872
Gold	750	54775	53935
Gold	585	42724	42069
Silver	999	92375	90535

Rate as exclusive of GST as of 07th June 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
07 th June 2024	719137	90535
06 th June 2024	72757	90407
05 th June 2024	71986	88530
04 th June 2024	71969	88837

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	AUG 24	2325.00	15.40	0.65
Silver(\$/oz)	JULY 24	29.44	1.29	4.30

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	833.65	1.44
iShares Silver	12,999.54	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2338.00
Gold London PM Fix(\$/oz)	2310.80
Silver London Fix(\$/oz)	30.27

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	JUNE 24	2308.3
Gold Quanto	JUNE 24	71373
Silver(\$/oz)	MAY 24	29.28

Gold Ratio

Description	LTP
Gold Silver Ratio	78.97
Gold Crude Ratio	30.78

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	197278	16517	180761
Silver	57652	21851	35801

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	19016.61	-623.39	-3.28 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
10 th June 06:00 PM	United States	NO DATA	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold dipped below \$2,300 an ounce, falling the most in almost three years as surprise strength in a key US jobs report dashed hopes that the Federal Reserve will be able to start lowering borrowing costs soon. Treasury yields and the dollar surged after the US government's May employment report showed job growth exceeded expectations and wages were hot. Bullion slumped as much as 3.7%, the most since August 2021, while silver tumbled 7%. Base metals also extended declines. Fed officials have said they need more evidence that inflation is easing toward the central bank's 2% target as they consider when to cut rates, while investors are looking for conviction of a soft landing that would justify US rate cuts. Lower borrowing costs typically boost gold, which doesn't pay interest. After surging to a record above \$2,450 an ounce, bullion has traded in a fairly narrow range amid the uncertainty over the Fed's rate trajectory. Swap traders now no longer fully price in a rate cut before December. Gold was already trading lower earlier Friday as data showed that China's central bank didn't buy any gold last month, ending a massive buying spree that ran for 18 months and helped drive the precious metal's rally. The People's Bank of China had been stocking up its reserves since November 2022, leading a flurry of purchases by the world's central banks amid rising geopolitical tensions. The PBOC's demand for bullion has come as the world's second-biggest economy seeks to diversify its reserves and guard against currency depreciation. First-quarter purchases by the world's public institutions were at record levels, with China the biggest buyer, according to the World Gold Council.

❖ Money managers have increased their bullish gold bets by 1,540 net-long positions to 180,761, weekly CFTC data on futures and options show. Long-only positions fell 4,051 lots to 197,278 in the week ending June 4. The long-only total was the lowest in four weeks. Short-only positions fell 5,591 lots to 16,517. The short-only total was the lowest in about four years. Money managers have decreased their bullish silver bets by 3,728 net-long positions to 35,801, weekly CFTC data on futures and options show. The net-long position was the least bullish in four weeks. Long-only positions fell 5,589 lots to 57,652 in the week ending June 4. The long-only total was the lowest in four weeks. Short-only positions fell 1,861 lots to 21,851. The short-only total was the lowest in three weeks.

❖ Exchange-traded funds added 100,092 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 4.55 million ounces, according to data compiled by Bloomberg. This was the fifth straight day of growth. The purchases were equivalent to \$237.8 million at yesterday's spot price. Total gold held by ETFs fell 5.3 percent this year to 81 million ounces, the highest level since May 1. Gold advanced 15 percent this year to \$2,376.06 an ounce and by 0.9 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, boosted its holdings by 46,250 ounces in the last session. The fund's total of 26.8 million ounces has a market value of \$63.7 billion. ETFs also added 2.48 million troy ounces of silver to their holdings in the last trading session, bringing this year's net sales to 14.9 million ounces.

❖ China's central bank didn't buy any gold in May, ending a massive gold buying spree that had run for 18 months after the precious metal surged to a record high. Bullion held by the People's Bank of China was unchanged at 72.80 million troy ounces in May, according to data released Friday. It's the first time the country has opted not to add to its reserves since October 2022, and follows a recent move by the central bank to start scaling down the size of monthly purchases. Gold hit an all-time high above \$2,450 an ounce in May, supported by strong central bank buying — particularly from Beijing — as the world's second-biggest economy has sought to diversify its reserves. First-quarter purchases by the world's public institutions racked up the strongest start to any year in 2024, and China was the top buyer, according to the World Gold Council. The nation's voracious appetite for bullion has left the precious metal vulnerable to any potential shift in demand, which appears to have cooled amid the record-breaking rally.

❖ Gold has taken another leg lower after US nonfarm payrolls rose in May by higher than expected. More declines are likely for the precious metal as the macro backdrop takes over as the driver. Bullion was already having a bad day after data showed that China's central bank didn't buy any gold in May, snapping an 18-month buying spree. Many had speculated that strong central bank purchases drove prices this year as they looked to diversify for a myriad of reasons -- from de-dollarization to haven demand and even the global interest-rate dynamic. While today's drop looks steep on a three-day chart, it merely took gold about \$7 back on the week to the lowest in about a month, meaning there's plenty of room for further declines as momentum drives prices lower. The precious metal is now poised to end its fourth week on the downside, the longest such weekly streak since August last year.

Fundamental Outlook: Gold and silver prices are trading mixed today on the international bourses. We expect gold and silver prices to trade range-bound to higher for the day, as the market will be looking ahead to the Federal Reserve rate decision on Wednesday.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	2270	2300	2320	2335	2355	2380
Silver – COMEX	July	29.10	29.40	29.65	29.85	30.15	30.50
Gold – MCX	August	70750	71000	71300	71600	71850	72000
Silver – MCX	July	87200	88000	88900	90300	91000	91800

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
104.89	-0.17	-0.16

Bond Yield

10 YR Bonds	LTP	Change
United States	4.4335	0.1465
Europe	2.6180	0.0700
Japan	0.9760	0.0120
India	7.0170	0.0060

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.3453	0.0912
South Korea Won	1365.5	-7.4500
Russia Rubble	89.0455	-0.0368
Chinese Yuan	7.2478	0.0028
Vietnam Dong	25413	-17
Mexican Peso	18.396	0.4106

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.6	0.07
USDINR	83.445	-0.1025
JPYINR	53.58	-0.0825
GBPINR	106.65	0
EURINR	90.925	0.075
USDJPY	155.09	-0.53
GBPUSD	1.2786	0.0015
EURUSD	1.0902	0.0029

Market Summary and News

❖ More than two years into the most aggressive Federal Reserve monetary tightening in four decades, the big surprise is that the world hasn't fallen over. While US interest rates at 23-year highs are causing pockets of pain, there's nothing like the systemic problems that so often wrecked expansions in the past. The Fed has held the policy rate at 5.25% to 5.5% for about a year and is expected to leave it unchanged at their two-day policy meeting this week. With Friday capping a run of steady economic data, investors have rolled back their expectations for rate cuts again, with only one — or maybe two — now expected by the end of the year. Financial markets continue to digest what Chair Jerome Powell calls "restrictive" policy very well. The three US regional-bank failures of spring 2023 are most notable for how little they affected the economy and how quickly regulators were able to halt any contagion. Credit spreads remain tight, even among riskier bonds, and volatility is low. In other words, something different is afoot this time, and it is catching the attention of the Federal Open Market Committee — the Fed panel that sets interest rates — and they are likely to take up the topic of easy financial conditions again this week.

❖ Indian bonds are largely steady to lower after the central bank raised its growth forecast while keeping the inflation outlook unchanged. India's central bank left its benchmark interest rate steady, as expected, keeping its focus on inflation amid policy uncertainty following an unexpected election result. The RBI raised its economic growth projection for the current fiscal year through March 2025 to 7.2% from 7% and maintained its inflation forecast at 4.5%. Growth topped 8% in the past fiscal year, while inflation was at 4.83% in April, above the central bank's target. 10-year yields up 1bp to 7.02%; rose 4bps this week, the biggest jump in seven. Bonds likely fell on expectations that higher economic growth may delay rate cuts by the RBI. "Increasing the growth forecast of 7.2% is a bit of a surprise," said Kruti Chheta, a fixed-income fund manager at Mirae Asset Investment Managers. "The markets were expecting that they would maintain it at 7%, if not anything else." India Sells 290 Billion Rupees of Bonds as Planned, RBI Says. USD/INR was down 0.1% to 83.38.

❖ A measure of greenback strength rose to a one-month high, gaining for a third straight week, after US payroll additions in May topped all estimates with wage growth exceeding expectations, prompting forecasters to push out the timeline for Fed cuts. The Bloomberg Dollar Spot Index surged as much as 0.8% to highest level since May 1 amid broad dollar short-covering and a slide in the Mexican peso; the greenback rose against all its G-10 peers Friday. The yield on benchmark 10-year Treasuries surged 14 basis points to 4.43%; Swaps traders lower odds of a September rate cut to 45% from 76% before US jobs report, according to data compiled by Bloomberg. "They won the battle on inflation, they don't want to lose the war on the soft landing," said Jeffrey Rosenberg, systematic multi-strategy fund portfolio manager at BlackRock, regarding the Fed. BBDXY one-week option volatility posts a YTD high of 8.88% ahead of US CPI and FOMC next week, with risk reversals at a 1-mo. high of 0.4% due to peso-related activity. The ICE Dollar index, which excludes emerging-market currencies, rose 0.8%, most since April 12, amid euro weakness. USD/CAD rose as much as 0.7% to 1.3759, breaking a two-week trading range, after Canada's jobs report showed above-forecast wage and payroll gains though a higher unemployment rate and surge in part-time workers; traders lowered marginally odds of July Bank of Canada rate cut. EUR/USD sinks 0.8% to one-week low of 1.0801 as speculative longs are unwound; futures turnover the highest since April 12; pair eyes 200-DMA of 1.0789 on a further loss. One-week risk reversals widened slightly in favor of euro puts. The European Central Bank's fight against inflation isn't over yet and officials need to remain vigilant although they lowered borrowing costs this week, President Christine Lagarde said. EU parliamentary elections commence. NATO Secretary General Jens Stoltenberg is scrapping plans to set up a five-year fund of military aid for Ukraine after facing pushback from alliance members. GBP/USD slips 0.6% to 1.2720 and is down 0.2% on the week. USD/JPY rises 0.9% to a four-day high of 157.08 before paring gains; pair is down 0.4% on the week. One-week risk reversals trade ~2.1% in favor of yen call ahead of a Bank of Japan policy meeting Friday. AUD/USD tumbles 1.3% to 0.6583 while kiwi sinks 1.5% as high-beta longs unravel.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	83.2050	83.2525	83.3075	83.4225	83.4625	83.5250

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	73237
High	73516
Low	71172
Close	71353
Value Change	-1778
% Change	-2.43
Spread Near-Next	325
Volume (Lots)	13004
Open Interest	16038
Change in OI (%)	-5.21%

Gold - Outlook for the Day

SELL GOLD AUG (MCX) AT 71600 SL 71850 TARGET 71300/71000

Silver Market Update



Market View	
Open	93628
High	94610
Low	88727
Close	89089
Value Change	-4727
% Change	-5.04
Spread Near-Next	0
Volume (Lots)	43091
Open Interest	22701
Change in OI (%)	-4.71%

Silver - Outlook for the Day

SELL SILVER JULY (MCX) AT 90300 SL 91300 TARGET 89000/88000

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.5125
High	83.5175
Low	83.41
Close	83.445
Value Change	-0.1025
% Change	-0.1227
Spread Near-Next	-0.118
Volume (Lots)	214459
Open Interest	3141131
Change in OI (%)	-0.25%

USDINR - Outlook for the Day

The USDINR future witnessed a flat-opening at 83.51, which was followed by a session where price shows profit taking from higher level with candle closures near low. A small red candle formed by the USDINR price where price closed below 20-days moving average placed at 83.41. On the daily chart, the MACD showed a positive crossover below the zero-line, while the momentum indicator, RSI trailing between 47-55 level showed positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.35 and 83.55.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR June	83.3025	83.3550	83.4075	83.5025	83.5550	83.6575

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