



**Daily Bullion Physical Market Report**

**Date: 17<sup>th</sup> January 2023**

**Daily India Spot Market Rates**

Description	Purity	AM	PM
Gold	999	56814	56883
Gold	995	56587	56655
Gold	916	52042	52105
Gold	750	42611	42662
Gold	585	33236	33277
Silver	999	69236	69167

\*Rate as exclusive of GST as of 16<sup>th</sup> January 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

**Gold and Silver 999 Watch**

Date	GOLD*	SILVER*
16 <sup>th</sup> January 2023	56883	69167
13 <sup>th</sup> January 2023	56462	68115
12 <sup>th</sup> January 2023	56097	67963
11 <sup>th</sup> January 2023	56115	68363

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

**COMEX Futures Watch**

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 23	1921.70	22.90	1.21
Silver(\$/oz)	MAR 23	24.37	0.37	1.53

**ETF Holdings as on Previous Close**

ETFs	Long	Short
SPDR Gold	912.14	0.00
iShares Silver	14,486.53	-71.53

**Gold and Silver Fix**

Description	LTP
Gold London AM Fix(\$/oz)	1915.10
Gold London PM Fix(\$/oz)	1917.00
Silver London Fix(\$/oz)	24.17

**Bullion Futures DGCX**

Description	Contract	LTP
Gold(\$/oz)	FEB. 23	1918.3
Gold Quanto	FEB. 23	56502
Silver(\$/oz)	MAR. 23	24.24

**Gold Ratio**

Description	LTP
Gold Silver Ratio	78.85
Gold Crude Ratio	24.06

**Weekly CFTC Positions**

	Long	Short	Net
Gold(\$/oz)	136643	54069	82574
Silver	45521	20911	24610

**MCX Indices**

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	15661.61	53.86	0.34 %

**Macro-Economic Indicators**

Time	Country	Event	Forecast	Previous	Impact
17th January 07:00 pm	United States	Empire State Manufacturing Index	-8.7	-11.2	High



## Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold declined from an eight-month high as the dollar rebounded on muted risk appetite in other markets. A gauge of global equities stalled after its best start to a year in a generation. A gauge of the greenback also nudged higher from a multimonth low amid the cautious mood, putting some pressure on bullion. Gold is still holding above \$1,900 an ounce following a 2.9% advance last week on bets the Federal Reserve will slow its aggressive interest-rate hikes as inflation abates. Expectations of short-term price gains in the US have fallen to the lowest in nearly two years, while the consumer price index fell month-on-month in December. Focus this week will be on the reaction of Fed officials to the latest economic data, after two regional bank presidents advocated moving to smaller hikes going forward. Voting members John Williams, Lael Brainard and Christopher Waller all give remarks this week.

❖ Exchange-traded funds cut 4,891 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 103,207 ounces, according to data compiled by Bloomberg. This was the fifth straight day of declines, the longest losing streak since Nov. 7. The sales were equivalent to \$9.39 million at the previous spot price. Total gold held by ETFs fell 0.1 percent this year to 94 million ounces. Gold advanced 5.3 percent this year to \$1,920.23 an ounce and by 1.2 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, maintained its holdings in the last session. The fund's total of 29.3 million ounces has a market value of \$56.3 billion. ETFs added 77,697 troy ounces of silver to their holdings in the last trading session, bringing this year's net sales to 1.03 million ounces.

❖ Zimbabwe's gold coins introduced in July are selling above \$2,000 for the first time. The so-called "Mosi-oa-Tunya" gold coin, named after Victoria Falls, a key tourism site which straddles the border between Zimbabwe and Zambia, were priced at \$2,002.51 for a one-ounce coin on Monday, according to data on the Reserve Bank of Zimbabwe's website. Spot gold was at \$1,914.21 an ounce at 2:45 p.m. in London. The central bank introduced the gold coins to halt a collapse of the Zimbabwean dollar and to help ease demand for US dollars. Smaller units were brought into circulation in November. The International Monetary Fund urged authorities last month to wind down the use of the gold coins and to use appropriate interest-bearing instruments to carry out monetary policy.

❖ Dundee Precious Metals rises 4.1% to its highest since June 3 after discovering a new "high-grade" gold deposit at an exploration project in Serbia. "Drilling has defined a large, high-grade footprint that remains open in multiple directions, which we believe provides additional upside potential," president and CEO David Rae said in a release. Notes the proximity to its Timok gold project is "an exciting development for the overall property package." Says Serbian activities will now focus on exploration at the new discovery "as we continue to assess the mineral resource potential of this new discovery." Shares are up 22% so far in 2023, outperforming the S&P/TSX Composite Index, which is up 5.3%.

❖ The European Central Bank's battle with inflation may end within half a year as policy makers begin to reverse rate hikes as soon as July, according to economists polled by Bloomberg. The deposit rate will be raised to a peak of 3.25% — from its current level of 2% in three steps. The survey shows two half-point hikes at the February and March meetings, followed by a 25 basis-point increase in May or June. The median analyst prediction then envisages cutting the rate back to 3% at the start of the third quarter. Such a scenario would suggest a drastic turn of events that the ECB doesn't envision. Most of its officials see rates remaining where they are after the so-called terminal rate is reached and none have called for rate cuts. Investors see the deposit rate rising even more, according to the latest MLIV Pulse survey, with more than half in the poll predicting it will peak at 3.5% or higher. While euro-zone price gains are moderating and consumers are less worried, policymakers have set their sights on bringing down underlying inflation, which hit a record last month as higher energy costs and wages feed through with a lag. The economists polled reckon the core price gauge — which excludes food, energy and other volatile items — will peak at an average of 5.1% this quarter, before retreating to 3.5% in the final three months of 2023.

❖ **Fundamental Outlook:** Gold and silver prices are trading slightly lower today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly lower for the day. We recommend sell on rise in gold and silver in intra-day trading sessions as the focus turned to the latest US data later this week for more clues on the Federal Reserve's monetary-policy tightening path.

### Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	February	1790	1810	1835	1855	1875	1895
Silver – COMEX	March	23.35	23.65	23.85	24.10	24.25	24.50
Gold – MCX	February	55900	56100	56300	56500	56650	56800
Silver – MCX	March	68000	68500	69200	69850	70200	70700





## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
102.20	-0.04	-0.04

### Bond Yield

10 YR Bonds	LTP	Change
United States	3.5035	0.0000
Europe	2.1710	0.0060
Japan	0.5270	0.0150
India	7.3270	0.0270

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.1527	0.0493
South Korea Won	1235.65	-5.7000
Russia Rubble	68.75	-0.2438
Chinese Yuan	6.7382	0.0372
Vietnam Dong	23443	2
Mexican Peso	18.7791	0.0128

### NSE Currency Market Watch

Currency	LTP	Change
NDF	81.74	0.17
USDINR	81.64	0.1825
JPYINR	63.7775	0.2575
GBPINR	99.76	0.2775
EURINR	88.4725	0.22
USDJPY	128.13	-0.25
GBPUSD	1.2215	0.0006
EURUSD	1.0833	0.001

### Market Summary and News

❖ The European Central Bank's battle with inflation may end within half a year as policy makers begin to reverse rate hikes as soon as July. The deposit rate will be raised to a peak of 3.25% from its current level of 2% in three steps according to the assumptions with two half-point hikes at the February and March meetings, followed by a 25 basis-point increase in May or June and then prediction envisages cutting the rate back to 3% at the start of the third quarter. Such a scenario would suggest a drastic turn of events that the ECB doesn't envision. Most of its officials see rates remaining where they are after the so-called terminal rate is reached and none have called for rate cuts. While euro-zone price gains are moderating and consumers are less worried, policymakers have set their sights on bringing down underlying inflation, which hit a record last month as higher energy costs and wages feed through with a lag. As long as core inflation isn't peaking, the change in headline inflation won't make a change in our determination.

❖ The pound slid against the dollar, after marking its biggest weekly gain since early December last week. Markets may look to testimony from Bank of England Governor Andrew Bailey to lawmakers on financial stability, although the discussion is not expected to venture into monetary policy. Brexit talks are back in focus, with UK Foreign Secretary James Cleverly and European Commission Vice-President Maros Sefcovic due to hold a call on Monday to see if a comprehensive deal can be reached over trading arrangements in Northern Ireland. The aim is to then move into more intensive talks. A more skeptical scenario of that GBP can rally alongside other risk-sensitive currencies given domestic growth challenges and its balance of payments environment with GBP/USD at \$1.20 at the end of the first and second quarters of 2023. Stronger-than-expected 4Q growth data and receding global inflation is a positive for the pound given the UK has potentially more to gain, in terms of sentiment from that turn given how bad the UK suffered last year and given the pound generally performs better in positive risk environment.

❖ India's trade deficit narrowed for the second month in December amid easing global commodity prices, although weak global demand weighed on export growth. The gap between exports and imports stood at \$23.76 billion, India trade secretary Sunil Barthwal said at a press conference Monday. That compares with a reading of \$23.89 billion in November. Imports fell 3.46% in December from a year ago to \$58.24 billion, while exports stood at \$34.48 billion, down 12.19%. Cooling commodity prices and a strengthening currency are providing some reprieve, though aggressive monetary tightening by central banks has hit demand for merchandise exports. India's currency rallied to a one-month high last week, driven by dollar weakness and lower crude prices. Export competitiveness is holding on despite global headwinds. A fall in exports is putting India's external finances under pressure as trade deficit remained above \$20 billion for the ninth month in a row. That further constrains the nation's current account gap that hit a record in July-Sept. quarter.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	81.0000	81.2000	81.4000	81.9500	82.1800	82.3500



**Nirmal Bang Securities - Bullion Technical Market Update**

**Gold Market Update**



Market View	
Open	56467
High	56562
Low	56330
Close	56482
Value Change	158
% Change	0.28
Spread Near-Next	468
Volume (Lots)	3950
Open Interest	12280
Change in OI (%)	-2.57%

**Gold - Outlook for the Day**

Gold is likely to witness some profit takings, try to sell on rise around \$ 1930-40 for the target of \$ 1900-1890.

**SELL GOLD FEB (MCX) AT 56500 SL 56700 TARGET 56200/56000**

**Silver Market Update**



Market View	
Open	69500
High	70077
Low	69210
Close	69786
Value Change	359
% Change	0.52
Spread Near-Next	1053
Volume (Lots)	9285
Open Interest	20850
Change in OI (%)	1.48%

**Silver - Outlook for the Day**

Silver looks resistive at \$ 24.70-80. So try to sell on rise between \$ 24.70-80 for the target of \$ 24-23.70.

**SELL SILVER MARCH (MCX) AT 69700 SL 70200 TARGET 69000/68500**





**Nirmal Bang Securities - Currency Technical Market Update**

**USDINR Market Update**



Market View	
Open	81.34
High	81.7925
Low	81.28
Close	81.64
Value Change	0.1825
% Change	0.22
Spread Near-Next	0.7489
Volume (Lots)	2839444
Open Interest	3138375
Change in OI (%)	-4.60%

**USDINR - Outlook for the Day**

USDINR witnessed a flat open at 81.34 followed by strong session in green marking high at 81.79 with closure near the same. USDINR has formed a long green candle with closure in higher highs indicating reversal might be in order. The pair on the daily chart pair has closed below all SMA indicating weakness in the pair. USDINR, if trades below 81.45, pair will head towards 80.80. Whereas, momentum above 81.85; will lead the pair to test the lows 82.25 – 82.55. The daily strength indicator RSI and momentum oscillator Stochastic both are trading below their reference line indicating weakness ahead.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR December	80.8000	81.0000	81.2000	81.7000	81.8500	82.0000



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## Indian Bullion and Jewellers Associations Ltd. Since 1919



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