

Daily Bullion Physical Market Report

Date: 17th November 2023

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	60453	60505
Gold	995	60211	60263
Gold	916	55375	55423
Gold	750	45340	45379
Gold	585	35365	35395
Silver	999	72354	72855

Rate as exclusive of GST as of 16th November 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
16 th November 2023	60505	72855
15 th November 2023	60618	72220
14 th November 2023	60071	69951
13 th November 2023	59982	69400

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	Dec 23	1987.30	23.00	1.17
Silver(\$/oz)	Dec 23	23.93	0.40	1.68

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	870.45	0.00
iShares Silver	13,709.45	-24.22

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1966.50
Gold London PM Fix(\$/oz)	1980.10
Silver London Fix(\$/oz)	23.67

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC. 23	1986.6
Gold Quanto	DEC. 23	60742
Silver(\$/oz)	DEC. 23	23.91

Gold Ratio

Description	LTP
Gold Silver Ratio	83.04
Gold Crude Ratio	27.26

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	160609	55373	105236
Silver	27193	24962	2231

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	16015.60	7.37	0.05 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
17th November 02:00 PM	Europe	ECB President Lagarde Speaks	-	-	Medium
17th November 03:30 PM	Europe	Final Core CPI y/y	4.2%	4.2%	Low
17th November 03:30 PM	Europe	Final CPI y/y	2.9%	2.9%	Low
17th November 07:00 PM	United States	Building Permits	1.45M	1.47M	Medium
17th November 07:00 PM	United States	Housing Starts	1.35M	1.36M	Low
17th November 08:15 PM	United States	FOMC Member Goolsbee Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold climbed the most in a month yesterday as US government data pointed to growing labor-market weakness, heightening expectations the Federal Reserve will hold the line on interest rates. Continuing applications for US unemployment benefits rose to the highest in almost two years during the week that ended Nov. 4, according to Labor Department data released Thursday. Treasury yields and the dollar dropped while gold rose as much as 1.3%, the most on an intraday basis since Oct. 19. When will green stocks hit the bottom? Share your views. The precious metal is up this week after falling more than 3% over the previous two weeks as fears of a regional escalation in the Israel-Hamas conflict ebbed. Five different Fed officials are scheduled to speak on Friday, potentially providing commentary on the latest data and the implication for interest rates.

❖ European Central Bank President Christine Lagarde urged officials to be cautious on threats to the region's financial system. "To date, Europe's financial system has avoided the worst-case scenario of severe systemic risks materializing at the same time. But policymakers need to remain proactive and alert to financial stability risks as and when they arise." "Bank profitability will be adversely affected by the rise in funding costs, reflecting higher policy rates, and by much lower lending volumes." "And the enduring combination of low growth and higher debt servicing costs will continue to strain vulnerable households and firms, which could see NPLs rising." "The list of vulnerable nodes in our financial system remains long – for example, money market funds and investment funds, notably those investing in illiquid assets. And channels of contagion could still re-emerge." "In particular, the margin policies of central counterparty clearing houses could amplify stress in the system. EU banks' holdings of fixed income securities could be marked down quite significantly, should they need to be sold." Lagarde spoke at a conference of the European Systemic Risk Board, which she also chairs.

❖ A senior official at the Federal Reserve Bank of New York said the factors driving investors to demand higher payouts on Treasury securities could help inform how long they will last and what effect they could have on the economy. A slew of US central bank officials and other regulators spoke across the country on Thursday, including at the New York Fed's ninth annual Treasury Market Conference, which this year explored issues including market resilience, liquidity and the future of the Treasury cash market. The conference, also co-hosted by the Fed, Treasury Department, Securities and Exchange Commission and Commodity Futures Trading Commission, features remarks from Fed Vice Chair Michael Barr and Liang, as well as other senior New York Fed officials and regulators. Roberto Perli, the manager of the System Open Market Account who oversees the Fed's portfolio, said Thursday it's possible that term premiums will stay higher than they used to be for some time, "if factors such as the longer-run fiscal balance or the prevalence of supply shocks over demand shocks going forward will be the drivers of term premiums." "Conversely, if the drivers of the recent swings were more short-lived and those sources of uncertainty dissipate, term premiums may revert back to lower levels, and financial conditions may ease some," Perli said at the New York Fed conference. Perli also said Treasury markets are functioning smoothly despite concerns about lower liquidity. "We see no evidence of market dysfunction," he said.

❖ Euro-area inflation is retreating faster than it accelerated, according to European Central Bank Governing Council member Mario Centeno. "We're at a crossroads of many policies. Monetary policy has to decide its path because it will have already arrived at the maximum nominal level of interest rates. But inflation continues to fall. We have had enormous success in reducing inflation. It's coming down faster than it went up." "But the real interest rate continues to rise, because if inflation falls and the nominal interest rate stays constant, the real interest rate rises. And the real interest rate is what interests us, for all our investments and all our decisions. So the financial tightness will continue with us for some more time." "What does the normalization of monetary policy mean? It means that interest rates will no longer be close to zero and structurally they will be closer to the neutral interest rate, which is the interest rate compatible with the inflation goal of 2%. This figure that we don't know, but we estimate to be between 1.5% and 2.5%, is clearly higher than zero." "Interest rates will not desirably return to zero. But they will come down from where they are today to this figure, this interval that the economy, the financial system will determine as being compatible with an inflation rate of 2% in the medium term." "Interest rates rose in a very short period by a very big value."

Fundamental Outlook: Gold and silver prices are trading slightly higher today on the international bourses. We expect gold and silver prices to trade higher for the day; as soft US economic data fueled optimism the Federal Reserve's most-aggressive hiking campaign in decades is at an end.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	Dec	1948	1967	1984	1990	2005	2020
Silver – COMEX	Dec	23.25	23.50	23.80	23.95	24.20	24.45
Gold – MCX	Dec	60100	60400	60600	60900	61100	61350
Silver – MCX	Dec	71300	72000	72800	73300	74000	74700

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
104.35	-0.05	-0.04

Bond Yield

10 YR Bonds	LTP	Change
United States	4.4355	-0.0958
Europe	2.5890	-0.0540
Japan	0.7910	-0.0110
India	7.2350	0.0140

Emerging Market Currency

Currency	LTP	Change
Brazil Real	4.8685	0.0036
South Korea Won	1296.9	-3.8500
Russia Rubble	89.2713	-0.2383
Chinese Yuan	7.2427	-0.0041
Vietnam Dong	24293	-4
Mexican Peso	17.228	-0.0688

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.24	0.03
USDINR	83.24	0.12
JPYINR	55.185	-0.23
GBPINR	103.26	-0.305
EURINR	90.3425	0.0625
USDJPY	150.76	0.78
GBPUSD	1.2245	-0.0212
EURUSD	1.0856	-0.0012

Market Summary and News

❖ Indian government bonds may advance after Treasury yields as well as crude oil prices declined overnight. A 300b rupee (\$3.6b) bond auction is due. USD/INR rose 0.1% to 83.2363 on Thursday. Implied opening from forwards suggest spot may start trading around 83.24. 10-year yields edged 1bp higher to 7.24%. Global funds sold 4.41 billion rupees of sovereign bonds under limits available to foreign investors, and added an equivalent amount of corporate debt. State-run banks sold 10.6 billion rupees of sovereign bonds on Nov. 16: CCIL data. Foreign banks bought 6.59 billion rupees of bonds.

❖ The yen rose Thursday amid lower Treasury yields after a spate of weak US economic data and a warning from Walmart about the outlook for consumers. A 5% slide in WTI crude price weighed on commodity currencies. The Bloomberg Dollar Spot Index is unchanged after falling as much as 0.3%; the greenback was higher against most of its peers in healthy turnover. Treasury 10-year note falls eight basis points to 4.45%. Jobless claims were more-than-expected on the week with continuing claims rising to a near two-year high. Import prices and the NAHB housing index fell more than forecast though business survey data was less downbeat. Federal Reserve Bank of Cleveland President Loretta Mester said that while inflation has cooled, it'll take time for it to fully return to the central bank's 2% target. USD/JPY down 0.6% at 150.48; pair touched a low of 150.29 amid falling Treasury yields and cross-related sales. Volatility drops across tenors. EUR/USD is flat after rising as much as 0.4% to a two-month high of 1.0896 amid macro demand. EUR/NOK climbs 1.1% amid lower oil prices. GBP/USD is marginally lower at 1.2409 after Bank of England Deputy Governor Dave Ramsden said UK interest rates are likely to remain elevated for a lengthy period of time. EUR/GBP rallied as much as 0.3% to 0.8766 amid model buying, highest since May 5, before erasing the advance. One-month 10-delta flies in cable, which capture the final policy decisions of the year by the Federal Reserve and the Bank of England, closed yesterday at 24 basis points, the lowest ever. USD/CAD is up 0.6% at 1.3764 as crude prices slump and volatility rises; the loonie is pace for its biggest drop versus the yen since May. AUD/USD dropped as much as 0.7% to 0.6461 after gaining 2.3% in the previous three sessions.

❖ Developing-nation stocks and currencies were little changed on Thursday as the rally sparked by benign US inflation data earlier this week lost steam. Eurobonds from Pakistan and Kenya gained after the International Monetary Fund disbursed new loans to the distressed nations, boosting their currency reserves and allaying fears of a sovereign debt default in the short term. Pakistan's eurobonds posted the best performance among sovereign dollar bonds from emerging markets today as the IMF said it reached a staff-level agreement with the government after reviewing its economic progress, giving the South Asian nation access to about \$700m in funding. The IMF will also expand its financing to Kenya by \$938m to bolster its reserves before a eurobond repayment due in June; the east African nation's \$2 billion bonds with 2024 maturity rallied to 96 cents. Emerging-market stocks fluctuated on Thursday a day after posting the biggest gain in a year, while the currency index extended its advance, led by the Chilean peso and the Polish zloty. Andean currencies were mixed, with the Colombian peso down 1.6% after President Gustavo Petro and Finance Minister Ricardo Bonilla pushed for looser fiscal policy and lower rates. Brazil's real weakens 0.1%. The Brazilian government will maintain its goal of zeroing the country's primary fiscal deficit in next year's budget plan, according to the bill's rapporteur in the lower house of congress.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.9525	83.0575	82.1155	83.2675	83.3550	83.4575

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	60148
High	61914
Low	60110
Close	60722
Value Change	611
% Change	1.02
Spread Near-Next	404
Volume (Lots)	7353
Open Interest	8609
Change in OI (%)	-10.00%

Gold - Outlook for the Day

BUY GOLD DEC (MCX) AT 60600 SL 60400 TARGET 60900/61100

Silver Market Update



Market View	
Open	72174
High	73755
Low	72002
Close	73360
Value Change	988
% Change	1.37
Spread Near-Next	1530
Volume (Lots)	30957
Open Interest	16890
Change in OI (%)	-7.86%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 72800 SL 72000 TARGET 74000/74500

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.175
High	83.25
Low	83.1725
Close	83.24
Value Change	0.12
% Change	0.1444
Spread Near-Next	-0.0072
Volume (Lots)	1172325
Open Interest	5141341
Change in OI (%)	-1.69%

USDINR - Outlook for the Day

The USDINR future witnessed a gap-up opening at 83.17, 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 price closed below short-term moving averages. On the daily chart, the momentum indicator RSI break 50 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 83.31.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR November	82.9825	83.0575	83.1575	83.2925	83.3825	83.4675

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