

### Daily Bullion Physical Market Report

Date: 30<sup>th</sup> July 2024

#### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	68794	68800
Gold	995	68519	68525
Gold	916	63015	63021
Gold	750	51596	51600
Gold	585	40245	40248
Silver	999	82200	82192

Rate as exclusive of GST as of 29<sup>th</sup> July 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

#### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
29 <sup>th</sup> July 2024	68800	82192
26 <sup>th</sup> July 2024	81336	81271
25 <sup>th</sup> July 2024	68227	81474
24 <sup>th</sup> July 2024	69151	84862

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

#### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2425.50	-2.40	-0.10
Silver(\$/oz)	SEPT 24	27.87	-0.15	-0.55

#### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	843.17	-2.02
iShares Silver	14,340.35	136.30

#### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2392.10
Gold London PM Fix(\$/oz)	2391.10
Silver London Fix(\$/oz)	28.14

#### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	AUG 24	2404.9
Gold Quanto	AUG 24	68646
Silver(\$/oz)	SEPT 24	28.03

#### Gold Ratio

Description	LTP
Gold Silver Ratio	87.04
Gold Crude Ratio	31.99

#### Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	222626	24182	198444
Silver	44226	18425	25801

#### MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	17250.11	-21.83	-0.13 %

#### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
30 <sup>th</sup> July 06:30 PM	United States	S&P/CS Composite-20 HPI y/y	6.4%	7.2%	Medium
30 <sup>th</sup> July 06:30 PM	United States	HPI m/m	0.3%	0.2%	Low
30 <sup>th</sup> July 07:30 PM	United States	CB Consumer Confidence	99.8	100.4	High
30 <sup>th</sup> July 07:30 PM	United States	JOLTS Job Openings	8.06M	8.14M	High

### Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold erased gains on Tuesday as the dollar pushed higher, with traders eyeing meetings this week from the Federal Reserve and other central banks. The Fed is expected to set the stage for a September rate cut, while policymakers from Japan and the UK are also meeting to decide the next steps for rate paths in their countries. Traders are trying to determine when and by how much the Fed and Bank of England will cut rates, while also weighing whether the Bank of Japan will hike borrowing costs. The precious metal reached a record high earlier this month, although those gains have been unwound as traders waited for firmer messaging from the Fed on the timing of its long-anticipated pivot to looser policy. Fed officials are likely to signal a cut is coming in September at the conclusion of its gathering on Wednesday, according to economists surveyed by Bloomberg News, a move they say will kick off reductions each quarter through 2025. Swaps markets are fully pricing a September move, with a chance of two more by year-end. Expectations of the Fed's rate-cutting cycle have seen investors flow into exchange-traded funds after more than two years of net outflows. Total gold ETF holdings have recorded five weeks of increase, even though investors are net sellers of ETFs so far this year, according to data compiled by Bloomberg. Along with bets on rate cuts, it's been supported by strong demand from central banks, while ongoing geopolitical tensions and the tumultuous US presidential campaign have boosted its appeal as a haven asset.

□ Exchange-traded funds added 168,868 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 3.02 million ounces, according to data compiled by Bloomberg. This was the fourth straight day of growth. The purchases were equivalent to \$403.1 million at the previous spot price. Total gold held by ETFs fell 3.5 percent this year to 82.6 million ounces, the highest level since Feb. 23. Gold advanced 16 percent this year to \$2,387.19 an ounce and by 1 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 64,720 ounces in the last session. The fund's total of 27.1 million ounces has a market value of \$64.7 billion. ETFs also added 549,500 troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 12.6 million ounces.

□ The use of Zimbabwe's bullion-backed currency has doubled since it was launched in early April, central bank Governor John Mushayavanhu told the country's Sunday Mail newspaper. The ZiG is now used in 30% of all transactions, compared with 15% on April 5, with the balance being done in dollars, he was quoted as saying. "There was no upsurge in foreign currency demand, rather there was a shift in product pricing ratio, with the ZiG now accounting for 30% of all transactions," Mushayavanhu told the Harare-based weekly newspaper. In a July 15 interview with Bloomberg, he said ZiG usage had risen to 20% of transactions from 15%. The ZiG, short for Zimbabwe Gold, replaced the Zimbabwean dollar after it collapsed in value against the greenback. It's the southern African nation's sixth attempt at having a functioning local currency in the last 15 years and is backed by foreign currency reserves as well as the precious metal. Zimbabwean Finance Minister Mthuli Ncube last week announced measures to spur demand for ZiGs, including ordering government departments to accept payment in the local currency instead of dollars and increased the amount of taxes payable in the unit. The country has set 2030 as the date for the ZiG to become sole legal tender, while President Emmerson Mnangagwa has hinted that it could be as early as 2026. The ZiG traded at 13.79 to the US dollar on Monday, according to data posted on the central bank's website. The bank injected \$50 million into the market on Friday to support the ZiG amid a surge in dollar demand among lenders.

□ China's gold demand has cracked in the face of record-high prices for the precious metal, with sales at the country's jewelers in a funk as buyers hold off on purchases. Total demand for bullion fell almost 6% from a year earlier in the first half to 524 tons, the China Gold Council said in a quarterly report. The data imply a dramatic 52% plunge in jewelry purchases in the second quarter, according to Bloomberg calculations. It's a sharp turnaround from the first three months of the year, when buying by China's central bank and the nation's consumers — as a hedge against a long-running property downturn and volatile stocks — helped push gold to successive records. The People's Bank of China halted purchases in May and June, following an 18-month buying spree. There are now clear signs that the lofty prices and China's sluggish economy are hitting sales of discretionary items like jewelry. However, impending Federal Reserve interest-rate cuts and heightened haven demand due to an array of geopolitical uncertainties — including the US presidential election in November — are still aiding global gold prices. Purchases of jewelry fell 27% in the half, the council said. That was partially offset by sales of bars and coins, which jumped 46% from a year earlier. Jewelry commands higher premiums than bars and coins, the council said. The figures in the report include jewelry, bars and coins and industrial consumption but not central bank purchases.

**Fundamental Outlook:** Gold and silver prices are trading flat today on the international bourses. We expect gold and silver prices to trade range-bound to slightly higher for the day, after gold prices edged lower for a second day as the dollar steadied, with traders awaiting a flurry of central-bank events, including a Federal Reserve policy meeting.

### Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	2345	2365	2380	2395	2415	2440
Silver – COMEX	September	27.20	27.50	27.80	28.00	28.30	28.55
Gold – MCX	August	67850	68100	68400	68550	68700	69000
Silver – MCX	September	79500	80200	81200	81700	82500	83300

## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
0.25	0.24	0.25

### Bond Yield

10 YR Bonds	LTP	Change
United States	4.1744	-0.0195
Europe	2.3560	-0.0490
Japan	1.0270	-0.0400
India	6.9180	-0.0240

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6152	-0.0411
South Korea Won	1382.85	-1.1000
Russia Rubble	86.4111	0.3451
Chinese Yuan	7.2603	0.0098
Vietnam Dong	25290	-31.0000
Mexican Peso	18.6325	0.1712

### NSE Currency Market Watch

Currency	LTP	Change
NDF	83.82	0.0000
USDINR	83.81	-0.0025
JPYINR	54.755	0.1325
GBPINR	107.5525	-0.2350
EURINR	90.8125	-0.1900
USDJPY	153.48	-0.4600
GBPUSD	1.2836	-0.0031
EURUSD	1.0837	-0.0020

### Market Summary and News

□ The greenback reached a two-week high, supported by month-end flows ahead of a two-day Federal Reserve meeting where traders are anticipating a signal that the central bank is closer to cutting interest rates. The Bloomberg Dollar Spot Index rose as much as 0.4% to the highest level since July 9 before paring gains. Treasury 10-year yields declined 2bps to 4.17% amid a global bond market rally and lower commodity prices. The Bloomberg Commodity Index dipped to its lowest level since 2021; WTI oil fell 1.7%. Fed officials are on the verge of lowering borrowing costs within months. Chair Jerome Powell may signal the step at this week's meeting. "Any Fed-induced dollar weakness is now likely to be brief and shallow, and concentrated in rate-sensitive pairs like USDJPY, where a drop to 142 by December would not surprise us," write Macquarie Group strategists. USD/CAD rose to eight-month high at 1.3865 amid lower Canadian government yields and sliding commodity prices; eyes the November high at 1.3899 on further gains. USD/JPY is up 0.1% at 153.98; traders await the outcome of the Bank of Japan and Fed meetings this week to drive it out of a 152-155 trading range. BOJ Governor Kazuo Ueda will have investors on high alert Wednesday when he lays out a detailed plan for quantitative tightening. He may also deliver another rate hike, after raising rates in March for the first time since 2007. The yen could rally to its strongest mark since January should the Bank of Japan hike policy rates at the conclusion of its meeting Wednesday and signal an aggressive plan to reduce monthly bond purchases, according to Bank of America. One-month volatility in the yen reaches a near three-month high as investors take positions ahead of the BOJ policy announcement. GBP/USD nearly reverses a 0.5% loss to 1.2807, its lowest in nearly three weeks, as EUR/GBP slides most since July 10. Markets are pricing in a roughly 50-50 possibility that the Bank of England may start cutting interest rates as early as Thursday. One-week pound risk reversal stabilizes after turning most bearish in three weeks. EUR/USD is down 0.3% at 1.0824 after sliding below its 200-DMA to 1.0803, a three-week low; the common currency is weighed down by lower European yields ahead of CPI data Tuesday, cross-related sales and month-end flows.

□ Colombian and Mexican pesos led losses in emerging markets Monday as most peers were under pressure against a stronger dollar. Emerging stocks gained as traders focus on major central bank decisions, key economic data and earnings scheduled for later this week. MSCI Inc.'s EM equity benchmark rose 0.5%, closing with its first gain in four sessions. Strength in the index was driven by Taiwan Semiconductor Manufacturing and Alibaba Group Holding. EM stocks closed with the biggest gain since July 11. MSCI gauge for EM currencies was little changed as traders await this week's central-bank meetings including at the Fed, BOJ and BOE. In Latin America, central banks in Brazil, Chile and Colombia are set to announce interest rate decisions too. Most EM currencies fell, with Latin American FX leading losses. Colombian peso was one of the worst performers; the nation's central bank is expected to cut rates to 10.75% from 11.25% on Wednesday. "Tight monetary conditions and decelerating inflation give policymakers room, but persistent inflation expectations and a positive output gap prevent a faster easing pace," according to Bloomberg Economics. Mexican peso dropped to the lowest level in over a month, trading at 18.7/USD. Chilean peso also slumped as policymakers are set to hold the benchmark rate at 5.75%.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.6450	83.6825	83.7175	83.7625	83.7925	83.8150

## Nirmal Bang Securities - Bullion Technical Market Update

### Gold Market Update



Market View	
Open	68426
High	68670
Low	68040
Close	68268
Value Change	82
% Change	0.12
Spread Near-Next	358
Volume (Lots)	6044
Open Interest	2027
Change in OI (%)	-126.94%

### Gold - Outlook for the Day

**BUY GOLD AUG (MCX) AT 68100 SL 67850 TARGET 68400/68600**

### Silver Market Update



Market View	
Open	81711
High	82314
Low	80271
Close	81287
Value Change	-84
% Change	-0.1
Spread Near-Next	2168
Volume (Lots)	17324
Open Interest	29702
Change in OI (%)	3.08%

### Silver - Outlook for the Day

**BUY SILVER SEPT (MCX) AT 81200 SL 80200 TARGET 82500/83000**

## Nirmal Bang Securities - Currency Technical Market Update

### USDINR Market Update



Market View	
Open	83.7825
High	83.8500
Low	83.7800
Close	83.8100
Value Change	-0.0025
% Change	-0.0030
Spread Near-Next	-0.4830
Volume (Lots)	740671
Open Interest	833151
Change in OI (%)	56.27%

### USDINR - Outlook for the Day

The USDINR future witnessed a gap-down opening at 83.78, which was followed by a session where price shows minimal buying from lower level with candle closures near previous close. A small green candle formed by the USDINR where price closes around all-time high from last 2 continuous weeks. The pair closed above short-term moving averages. On the daily chart, the MACD showed a positive crossover above zero-line, while the momentum indicator, RSI strongly moving north levels showed positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.75 and 83.85.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR AUGUST	83.7125	83.7550	83.7875	83.8225	83.8550	83.9075

## Nirmal Bang Securities – Commodity Research Team

Name	Designation	Email
Kunal Shah	Head of Research	<a href="mailto:kunal.shah@nirmalbang.com">kunal.shah@nirmalbang.com</a>
Devidas Rajadhikary	AVP Commodity Research	<a href="mailto:devidas.rajadhikary@nirmalbang.com">devidas.rajadhikary@nirmalbang.com</a>
Harshal Mehta	AVP Commodity Research	<a href="mailto:harshal.mehta@nirmalbang.com">harshal.mehta@nirmalbang.com</a>
Ravi D'souza	Sr. Research Analyst	<a href="mailto:ravi.dsouza@nirmalbang.com">ravi.dsouza@nirmalbang.com</a>
Jayati Mukherjee	Sr. Research Analyst	<a href="mailto:jayati.mukherjee@nirmalbang.com">jayati.mukherjee@nirmalbang.com</a>
Smit Bhayani	Research Analyst	<a href="mailto:smit.bhayani@nirmalbang.com">smit.bhayani@nirmalbang.com</a>
Utkarsh Dubey	Research Associate	<a href="mailto:Utkarsh.dubey@nirmalbang.com">Utkarsh.dubey@nirmalbang.com</a>

This Document has been prepared by Nirmal Bang Securities Pvt. Ltd. The information, analysis and estimates contained herein are based on Nirmal Bang Securities Research assessment and have been obtained from sources believed to be reliable. This document is meant for the use of the intended recipient only. This document, at best, represents Nirmal Bang Securities Research opinion and is meant for general information only. Nirmal Bang Securities Research, its directors, officers or employees shall not in any way be responsible for the contents stated herein. Nirmal Bang Securities Research expressly disclaims any and all liabilities that may arise from information, errors or omissions in this connection. This document is not to be considered as an offer to sell or a solicitation to buy any securities. Nirmal Bang Securities Research, its affiliates and their employees may from time to time hold positions in securities referred to herein. Nirmal Bang Securities Research or its affiliates may from time to time solicit from or perform investment banking or other services for any company mentioned in this document.