

## Daily Bullion Physical Market Report

Date: 31<sup>st</sup> January 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	62678	62610
Gold	995	62427	62359
Gold	916	57413	57351
Gold	750	47009	46958
Gold	585	36667	36627
Silver	999	71795	71742

Rate as exclusive of GST as of 30<sup>th</sup> January 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
30 <sup>th</sup> January 2024	62610	71742
29 <sup>th</sup> January 2024	62515	71371
25 <sup>th</sup> January 2024	62312	71299
24 <sup>th</sup> January 2024	62591	71072

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 24	2050.90	6.30	0.31
Silver(\$/oz)	MAR 24	23.23	-0.03	-0.11

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	854.89	-1.16
iShares Silver	13,769.50	-58.36

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2036.80
Gold London PM Fix(\$/oz)	2043.05
Silver London Fix(\$/oz)	23.08

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	FEB. 24	2054.2
Gold Quanto	APR. 24	62387
Silver(\$/oz)	MAR. 24	23.27

### Gold Ratio

Description	LTP
Gold Silver Ratio	88.31
Gold Crude Ratio	26.35

### Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	124608	47993	76615
Silver	28931	32096	-3165

### MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	16105.85	15.54	0.10 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
31st January 06:45 PM	United States	ADP Non-Farm Employment Change	145K	164K	High
31st January 07:00 PM	United States	Employment Cost Index q/q	1.0%	1.1%	High
31st January 08:15 PM	United States	Chicago PMI	47.9	46.9	Medium
01st January 12:30 PM	United States	Federal Funds Rate	5.50%	5.50%	High
01st January 12:30 PM	United States	FOMC Statement	-	-	High
01st January 12:30 PM	United States	FOMC Press Conference	-	-	High

## Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold erased early gains yesterday after a hotter-than-estimated reading on the labor market, with traders looking to the Federal Reserve meeting for fresh clues on when US monetary easing will start. US job openings unexpectedly rose in December to the highest level in three months, highlighting a robust labor market that's powering strong economic growth. Treasury yields and the dollar rose after the print, sending gold lower by as much as 0.2%. Traders will look to the Federal Open Market Committee meeting on Wednesday in particular for indications on whether the central bank will start lowering borrowing costs in March, a scenario that swap markets have deemed increasingly unlikely in recent weeks. Recent US data has been inconclusive. While the Fed's preferred gauge of underlying inflation cooled to near a three-year low; consumer spending topped estimates. Both lower yields and rates are typically positive for bullion, which doesn't pay interest. The precious metal has started the year in a relatively tight band. It has declined by 1.5% in January so far, heading for the first monthly decline in four. Markets are also watching for a US response to the deadly attack on American troops in Jordan which could support a haven bid for gold if tensions escalate. Iran has urged the US to use diplomacy to ease conflict in the Middle East.

❖ Gold shipments from Europe's key refining hub fell to 107.9 tons in December from 109.7 tons in November as sales to Hong Kong and India declined, according to data on the website of the Swiss Federal Customs Administration. Shipments to India fell 51% to 8.1 tons. Sales to China rose 32% to 33.1 tons. Exports to the UK more than doubled to 23.9 tons. Sales to the US jumped to 3.3 tons. Shipments to Hong Kong dropped 67% to 6.5 tons. Sales to Turkey fell 8% to 8.1 tons. Swiss gold imports were 143.7 tons, down 15%.

❖ Exchange-traded funds cut 92,180 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 1.51 million ounces, according to data compiled by Bloomberg. This was the eighth straight day of declines. The sales were equivalent to \$187.4 million at yesterday's spot price. Total gold held by ETFs fell 1.8 percent this year to 84.1 million ounces, the lowest level since Jan. 28, 2020. Gold declined 1.4 percent this year to \$2,033.23 an ounce and rose by 0.7 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 37,060 ounces in the last session. The fund's total of 27.5 million ounces has a market value of \$55.9 billion. ETFs also cut 2.14 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 6.57 million ounces. This was the biggest one-day decrease since Nov. 29 and the third straight day of declines.

❖ Bond traders reduced bets on Federal Reserve interest-rate cuts in 2024, with the odds of a move in March falling to about one-in-three, after a report on US job openings highlighted strength in the labor market. Traders also marked down the odds of a Fed rate cut in May and priced in less monetary easing over the course of the year. Confidence in rate cuts reached the lowest point since the last policy meeting in mid-December. The Fed's rate-setting committee concludes a two-day meeting on Wednesday at which no change is expected, however its statement and subsequent comments by Chair Jerome Powell may affect the outlook for interest rates. Tuesday's report on December job openings exceeded all estimates in a Bloomberg survey of economists. Vacancies increased to 9 million from an upwardly revised 8.9 million in November, the Bureau of Labor Statistics Job Openings and Labor Turnover Survey, known as JOLTS, showed. Swap contracts referencing the March Fed meeting date — the next one after this week's — traded at around 5.25%, about 8 basis points lower than the effective policy rate of 5.33%, pricing in about a third of a 25-basis-point drop. Late last year, a quarter-point cut in March was completely priced in for a time, reflecting expectations for labor-market cooling that have failed to materialize. The December contract prices in about 130 basis points of easing; down from a peak of about 175 basis points this month. Treasury yields rose in the wake of the JOLTS data, led by the short-maturity tenors that are most sensitive to Fed shifts. The two-year erased a drop of more than 3 basis points and rose as much as 6 basis points at 4.38%.

❖ The International Monetary Fund raised its forecast for global growth this year on better-than-expected expansion in the US and fiscal stimulus in China while warning of risks from wars and inflation. The world economy will grow 3.1% this year, up from 2.9% seen in October, the Washington-based institution said in its quarterly World Economic Outlook on Tuesday. The fund kept its 2025 forecast unchanged at 3.2%. Tighter central-bank policy to fight inflation and public-spending cuts in some countries are among the reasons why growth is expected to be slower than in the two decades before the pandemic, when it averaged 3.8%. Still, given the scale of the Covid-19 price shocks and the interest-rate hikes that followed, the IMF suggested things could have gone much worse. "The global economy continues to display remarkable resilience, and we are now in the final descent toward a soft landing with inflation declining steadily and growth holding up," IMF Chief Economist Pierre-Olivier Gourinchas said in a briefing. "But the pace of expansion remains on the slow side, and there might be turbulence ahead." Among the downside risks cited by the IMF are new commodity-price spikes caused by geopolitical shocks and global supply disruptions — such as attacks by Houthis in the Red Sea or a widening conflict in the Middle East — or more tenacious inflation that might force central banks to keep interest rates higher for longer. The IMF's forecasts assume commodities prices, including fuel, will drop this year and next, and that interest rates will ease in major economies. The fund's economists factored in, for instance, that the Federal Reserve, European Central Bank and Bank of England will hold interest rates in the first half of this year before gradually reducing them as inflation slows.

**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, as gold prices steadied ahead of a Federal Reserve meeting that may provide a steer on when the US central bank will start cutting interest rates.

### Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	Feb	2000	2025	2045	2062	2078	2100
Silver – COMEX	Mar	22.85	23.00	23.20	23.35	23.50	23.70
Gold – MCX	Feb	61800	62050	62300	62500	62650	62800
Silver – MCX	Mar	70800	71500	72200	72850	73300	73700

## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
103.40	-0.21	-0.20

### Bond Yield

10 YR Bonds	LTP	Change
United States	4.0319	-0.0421
Europe	2.2670	0.0330
Japan	0.7170	-0.0060
India	7.1580	-0.0150

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	4.9501	0.0021
South Korea Won	1329.5	-6.1500
Russia Rubble	89.7533	0.5009
Chinese Yuan	7.1778	-0.0026
Vietnam Dong	24413	-130
Mexican Peso	17.1531	-0.0721

### NSE Currency Market Watch

Currency	LTP	Change
NDF	83.19	0.02
USDINR	83.2025	-0.0525
JPYINR	56.7925	0.125
GBPINR	105.485	-0.255
EURINR	90.295	0.0925
USDJPY	146.79	-0.53
GBPUSD	1.2685	-0.0014
EURUSD	1.0857	0.0021

### Market Summary and News

❖ Indian bond traders are set for a 270b rupee (\$3.2b) auction of T-bills. The parliament's budget session begins today with the presentation of an interim pre-election spending plan scheduled on Thursday. USD/INR little changed at 83.1125 on Tuesday. Implied opening from forwards suggest spot may start trading around 83.13. 10-year yields fell 2bps to 7.16%. Global Funds Sell Net INR19.7B of Indian Stocks on Jan. 30: NSE. They bought 3.57 billion rupees of sovereign bonds under limits available to foreign investors on Tuesday, and added 2.05 billion rupees of corporate debt. State-run banks sold 7.28 billion rupees of sovereign bonds on Jan. 29: CCIL data. Foreign banks bought 18.5 billion rupees of bonds.

❖ The greenback trades mixed against its G-10 peers, reversing broad gains after upbeat reports on US job openings and consumer confidence. The Federal Reserve is expected to leave its policy rate unchanged Wednesday. The Bloomberg Dollar Spot Index fell 0.1% after failing to top nearby resistance at 100-DMA of 1239.48. Treasury 2-year yield rose 4bps to 4.36%, while Treasury 10-year yield fell two basis points. US December job openings rose to 9.026M, above all estimates. UPS said it will cut 12K jobs. US President Joe Biden said he has made a decision on how to respond to an attack by Iranian-backed militants that killed three American troops in the Middle East, although he didn't reveal his plans as he spoke to reporters Tuesday. The International Monetary Fund raised its forecast for global growth this year on better-than-expected expansion in the US and fiscal stimulus in China, while warning of risks from wars and inflation. Oil rises after Saudi Arabia abandoned its plan to boost the oil production capacity of state-owned Aramco; Mexico announced it expanded oil hedging. EUR/USD is up 0.1% at 1.0846 after data showed surprisingly strong GDP readings from Italy and Spain at the end of last year, while France escaped a recession. EUR/CHF rises 0.3% to 0.93312 amid bouts of interbank franc selling. European Central Bank President Christine Lagarde says everyone on policy making council agrees next move is a cut, says on a disinflationary trend and will get to 2% in a timely manner. Euro-area inflation is on track to meet the European Central Bank's 2% target but more information is needed to decide when to cut interest rates, according to Governing Council member Joachim Nagel. USD/JPY was up 0.1% at 147.65 versus 147.93 day-high after the US data; January high for resistance of 148.80; traders note gamma buying ahead of Fed and US tech earnings reports. GBP/USD drops 0.1% to 1.2691; EUR/GBP rises 0.3% as shorts are covered ahead of a Bank of England meeting Thursday. AUD/USD nearly reverses a 0.5% loss as copper and Nat gas prices rise; pair slipped to 0.6575 earlier as long positions were trimmed ahead of Australia Q4 CPI Wednesday. NZD/USD is little changed at 0.6132. USD/CAD falls 0.1% to 1.3396 two-week low amid higher crude prices' tests gamma linked to 1.34 options rolling off Friday.

❖ Most developing-world currencies ended the session higher as the dollar retreated ahead of a Federal Reserve policy decision Wednesday. The gauge for stocks, meantime, was dragged down by Chinese companies amid uncertainty over the government's stimulus steps and the liquidation of Evergrande Group. The currency index is up 0.2%; the Hungarian forint, Polish zloty and Czech koruna led the advance. The forint rebounded after Hungary's central bank unexpectedly maintained the pace of cuts to the European Union's highest key interest rate, citing an array of risks warranting caution. The MSCI China index fell 2.7% and China's 10-year government bond yield slumped to the lowest in nearly 22 years as expectations for rate cuts gain traction. The MXN rebounded after lower-than-expected GDP data weighed on the peso earlier in the day; the domestic economy is slowing under high borrowing costs, fueling bets the nation's central bank will start interest rate cuts in coming months. The Brazilian real weakened against the greenback ahead of rate decisions in Brazil and the US on Wednesday. Nigeria's naira plunged to a record low against the dollar following a revision of the methodology used to set the exchange rate, in effect the second devaluation of the currency in seven months. Kenya is considering tapping capital markets to help fund the repayment of a \$2 billion eurobond that falls due in June, President William Ruto said in an interview in Rome.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.9525	83.0175	83.0655	83.1275	83.1650	83.2575

## Nirmal Bang Securities - Bullion Technical Market Update

### Gold Market Update



Market View	
Open	62397
High	62779
Low	62335
Close	62460
Value Change	93
% Change	0.15
Spread Near-Next	340
Volume (Lots)	6575
Open Interest	14621
Change in OI (%)	7.15%

### Gold - Outlook for the Day

**BUY GOLD APR (MCX) AT 62300 SL 62050 TARGET 62650/62800**

### Silver Market Update



Market View	
Open	72549
High	72705
Low	72019
Close	72350
Value Change	-27
% Change	-0.04
Spread Near-Next	1149
Volume (Lots)	14943
Open Interest	23182
Change in OI (%)	-0.81%

### Silver - Outlook for the Day

**BUY SILVER MARCH (MCX) AT 72200 SL 71500 TARGET 73200/73700**

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

**USDINR Market Update**



Market View	
Open	83.3475
High	83.3475
Low	83.1875
Close	83.2025
Value Change	-0.0525
% Change	-0.0631
Spread Near-Next	0.0303
Volume (Lots)	851065
Open Interest	2422208
Change in OI (%)	-0.09%

**USDINR - Outlook for the Day**

The USDINR future witnessed a gap-up opening at 83.34, which was followed by a session that showed selling from higher level with candle closures near low. A long red candle formed by the USDINR price closed above 10-days moving averages placed at 83.20. On the daily chart, the MACD showed a positive crossover below the zero-line, while the momentum indicator, RSI has trailing between 43-49 levels. We are anticipating that the price of USDINR futures will fluctuate today between 83.15 and 83.30.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR February	83.0525	83.1075	83.1575	83.2575	83.3025	83.3575

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