

Daily Bullion Physical Market Report

Date: 31st July 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	68713	68680
Gold	995	68438	68405
Gold	916	62941	62911
Gold	750	51535	51510
Gold	585	40197	40178
Silver	999	81616	81350

Rate as exclusive of GST as of 30th July 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
30 th July 2024	68680	81350
29 th July 2024	68800	82192
26 th July 2024	81336	81271
25 th July 2024	68227	81474

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2451.90	26.40	1.09
Silver(\$/oz)	SEPT 24	28.53	0.66	2.36

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	843.17	0.00
iShares Silver	14,326.15	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2389.15
Gold London PM Fix(\$/oz)	2390.25
Silver London Fix(\$/oz)	27.88

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	AUG 24	2428.8
Gold Quanto	AUG 24	69198
Silver(\$/oz)	SEPT 24	28.47

Gold Ratio

Description	LTP
Gold Silver Ratio	85.96
Gold Crude Ratio	32.81

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	17244.47	178.85	1.04 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
31 st July 05:45 PM	United States	ADP Non-Farm Employment Change	147K	150K	High
31 st July 06:00 PM	United States	Employment Cost Index q/q	1.0%	1.2%	High
31 st July 07:15 PM	United States	Chicago PMI	44.8	47.4	Medium
31 st July 07:30 PM	United States	Pending Home Sales m/m	1.4%	-2.1%	High
31 st July 11:30 PM	United States	Federal Funds Rate	5.50%	5.50%	High
31 st July 11:30 PM	United States	FOMC Statement	-	-	High
01 st August 12:00 AM	United States	FOMC Press Conference	-	-	High

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold gained the most in two weeks on Tuesday as traders sought safety in the precious metal after Israel struck Beirut's suburbs in response to a weekend attack. Israel's military struck Beirut, aiming at a Hezbollah commander, following a rocket attack on Saturday in the Golan Heights that killed 12 people. The Israel Defense Forces said it targeted "the commander responsible for the murder of the children in Majdal Shams and the killing of numerous additional Israeli civilians." Israel blamed the Lebanon-based militant group for the weekend attack. Bullion rose as much as 1.1%, the biggest intraday increase since July 16. Investors typically flock to bullion in times of geopolitical and economic risks. The precious metal wavered earlier Tuesday as traders parsed through fresh US data while awaiting a flurry of central-bank events in coming days, including a Federal Reserve policy meeting Wednesday. Data Tuesday showed US consumer confidence rose in July on an improved outlook for the economy, while job openings in June came in above forecast. The Fed is expected to hold benchmark rates at the highest level in more than two decades this week, and traders will be closely watching for any hints that the start of policy easing is near. Policymakers in Japan and the UK also meet, with traders watching the Bank of Japan for signs of a hike and the Bank of England for a cut. Gold hit a record earlier this month as Asian investors ramped up demand for physical bars in the over-the-counter market. It was the precious metal's best second quarter in data going back at least 25 years, according to the World Gold Council. November's US presidential election has also started to spur interest in the precious metal. Gold-backed exchange-traded funds have expanded by about 44 tons in July, putting them on track for the biggest increase in more than two years.

❖ Exchange-traded funds cut 105,105 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 3.12 million ounces, according to data compiled by Bloomberg. This was the biggest one-day decrease since June 12. The sales were equivalent to \$250.6 million at yesterday's spot price. Total gold held by ETFs fell 3.6 percent this year to 82.5 million ounces. Gold advanced 16 percent this year to \$2,384.19 an ounce and fell by 0.1 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 27.1 million ounces has a market value of \$64.6 billion. ETFs added 4.83 million troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 17.5 million ounces.

❖ Gold and silver-backed exchange-traded funds have seen notable inflows this month. If sustained, that trend could mark an inflection point for the holdings after a long stretch of declines, and be supportive of the metals' prices. Central-bank signaling, especially in the US as a Federal Reserve pivot looms, is concentrating investors' minds, and creating a more favorable backdrop for the metals. The MLIV Pulse survey also revealed a healthy level of interest in gold as the US presidential election approaches. While still lower YTD, gold-backed ETFs have expanded by ~44 tons so far in July, the biggest inflow since March 2022. That demand can help to absorb some of the volume from lower jewelry sales. Silver-backed ETFs have expanded by more than 850 tons MTD, the most in more than three years. Some caution is warranted, however: an earlier run up was flagged in April only for the inflow to unwind over 2Q.

❖ Goldman Sachs Group Inc. Chief Executive Officer David Solomon said one or two Federal Reserve rate cuts later this year are looking increasingly likely, after predicting just two months ago there would be no rate reductions in 2024. "One or two cuts in the fall seems more likely," Solomon said Tuesday in a CNBC interview from Paris. "There's no question there are some shifts in consumer behavior, and the cumulative impact of what's been kind of a long inflationary pressure, even though it's moderating, is having an effect on consumer habits." While the current economic base case remains "relatively benign," Solomon said the outlook remains uncertain, and he questioned whether one or two rate reductions would create a "hugely different policy picture." "One of the things that's still unclear is the trajectory of the economy over the next 12 to 18 months," Solomon said. "To be so certain about the direction of travel on rates and the direction of policy, I think it's early."

❖ Soaring gold prices are hobbling demand for traditional applications like jewelry and dentistry, but wealthy Asian investors' voracious appetite is more than offsetting the other declines. Strong physical bar buying in the over-the-counter market, particularly by family offices in Asia, helped gold demand register its best second quarter in data going back at least 25 years, according to the World Gold Council. Wealthy individuals and asset managers in China and other parts of the region have piled into the precious metal to help counter their growing "concerns around credit, debt and financial conditions," Joseph Cavatoni, WGC's chief market strategist for the Americas, said in an interview. Holding physical gold gives them "comfort" in today's rapidly evolving climate, he added. Out of the 200 richest people in the world, more than one-quarter are based in Asia, data from Bloomberg show. The report sheds a little more light on the drivers in the world's gold market, which saw prices climb to eye-popping highs earlier this month. Driving prices is an expectation upcoming interest-rate cuts by the US Federal Reserve would attract more investors into the exchange-traded funds market. The metal has also been supported by continued demand from central banks and rising geopolitical tensions, including the tumultuous US presidential campaign, which boost its appeal as a safe-haven asset. "The undercurrent of all this is that central banks are still involved," Cavatoni said. "India and Poland continued to buy" even as China slowed down, he said. Gold buying by central banks is up 6% year on year but down from the brisk first-quarter pace. At the same time, price-sensitive consumers have reined in their jewelry purchases, which fell about 18% quarter-on-quarter, according to the report. The WGC, an international trade association of gold producers that lobbies on behalf of its members, sees prices continuing to "maintain or slowly build on current levels" in the second half. Gold is already up about 15% this year.

Fundamental Outlook: Gold and silver prices are trading mix today on the international bourses. We expect gold and silver prices to trade ranger-bound to slightly higher for the day, as gold prices held an advance before a slew of meetings from the Federal Reserve and other leading central banks, which may see US policymakers, signal a move toward cutting interest rates.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	2400	2420	2450	2465	2480	2510
Silver – COMEX	September	28.00	28.20	28.45	28.60	28.85	29.10
Gold – MCX	August	67850	68150	68500	68750	69000	69250
Silver – MCX	September	80700	81500	82200	83000	83700	84400

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
104.55	-0.01	-0.01

Bond Yield

10 YR Bonds	LTP	Change
United States	4.1394	-0.0349
Europe	2.3370	-0.0190
Japan	1.0040	-0.0230
India	6.9340	0.0170

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6129	-0.0023
South Korea Won	1384.45	1.6000
Russia Rubble	86.0589	-0.3522
Chinese Yuan	7.241	-0.0193
Vietnam Dong	25284	-6.0000
Mexican Peso	18.7644	0.1319

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.82	-0.0100
USDINR	83.795	-0.0150
JPYINR	54.335	-0.4200
GBPINR	107.6275	0.0750
EURINR	90.795	-0.0175
USDJPY	154.13	0.6500
GBPUSD	1.2854	0.0018
EURUSD	1.0844	0.0007

Market Summary and News

❖ Haven currencies outperformed their G-10 peers amid escalating Middle East tensions and weakness in US tech shares ahead of Wednesday's Fed policy decision. The Bloomberg Dollar Spot Index is marginally higher, paring gains after setting a fresh three-week high earlier amid solid corporate and month-end flows; offshore yuan rises 0.3%. US 10-year Treasury yields slipped 3bps to 4.14%; US 2-year Treasury yields also fell as shares and WTI oil prices drop. US job openings came in above forecast last month after May's reading was revised higher. US consumer confidence rose in July as improving expectations for the economy and labor market offset bleaker views of current conditions. USD/JPY is down 0.5% at 153.27 after trading a 152.99-155.22 session range, weighed down by lower Treasury yields, sterling-yen sales and commercial flows. Recent yen weakness has done more harm than good for the Japanese economy, according to Japan's newly appointed top foreign exchange official, who cited intervention among the measures available to counter speculation that weighs excessively on the currency. Bank of Japan board members will discuss raising interest rates to around 0.25% from the current range of 0 to 0.1%, public broadcaster NHK reports, and citing unidentified people. Overnight yen volatility climbs to a three-month high of ~24.5%, or 160 pips breakeven, ahead of a BOJ decision Wednesday; risk reversals shift in the yen's favor across tenors. Overnight-indexed swaps priced in a roughly 50% chance that the BOJ will raise its policy rate by 15 basis points this week. "If we see 15 bps overnight as a hike then JPY might respond, but until then it's all talk and no action," said Helen Given, a foreign-exchange trader at Monex Inc. "There isn't enough economic activity I think to justify a 15 bps hike." EUR/USD slips 0.1% to 1.0812 as European yields ease following mixed German regional CPI reports and a surprise contraction in Q2 GDP. EUR/CHF slips as much as 0.5% to 0.9545 on haven-related selling. GBP/USD falls 0.2% to 1.2833; one-week volatility holds near a six-week high as Thursday's Bank of England policy decision nears. AUD/USD is down 0.2% at 0.6527; overnight volatility rises to 13.2% ahead of a CPI release Wednesday. USD/CAD is steady at 1.3852; gains capped by corporate sales after pair touched an eight-month high of 1.3865 Monday.

❖ Emerging-market stocks slumped amid broader caution in Asia while developing currencies edged higher ahead of a series of major central bank decisions. MSCI's EM equity benchmark slipped 0.5%. Weakness in the index was driven by Tencent Holdings and Taiwan Semiconductor Manufacturing. The gauge for currencies eked out a gain as traders await decisions from several central banks, including the Fed, BOJ and BOE. In Latin America, Brazil, Chile and Colombia policymakers are also set to announce rate decisions. Latin American currencies led losses among the 14 peers in the red out of 23 tracked by Bloomberg. Mexican peso extended Monday's decline, dropping for a sixth-straight day, the longest losing streak since September 2023. Economic growth unexpectedly slowed in the second quarter compared to the first, adding additional pressure on the currency. Mexico's Economic Growth Undershoots Forecasts as Woes Mount. 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. Chilean peso also slumped as policymakers are set to hold the benchmark rate at 5.75%. Venezuela's government is engaging in a full crackdown on resistance to President Nicolás Maduro's self-declared victory, announcing 749 arrests and detaining a prominent opposition figure. María Corina Machado, who led the campaign against Maduro, said that the opposition can prove that Edmundo González won Sunday's election. The nation's sovereign bonds edged up. Israel targeted a senior Hezbollah commander with an airstrike on Beirut, retaliation for a rocket attack in the Golan Heights that killed 12 young people over the weekend. RBC BlueBay Asset Management is doubling down on its push into emerging-market private lending. The London-based company has started fundraising for an additional \$300 million for direct lending in the developing world. Ethiopia's defaulted international bond jumped after the International Monetary Fund agreed to lend the country \$3.4 billion over four years as part of an economic reform program, a key step that's also expected to ease negotiations with creditors on restructuring its debt. Turkey's central bank will probably begin interest-rate cuts in as early as two months as disinflation takes hold, according to a senior executive at JPMorgan Chase & Co., despite official guidance that prices could take longer to fall.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.6450	83.6825	83.7075	83.7525	83.7925	83.8150

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	68855
High	69300
Low	68600
Close	69178
Value Change	552
% Change	0.8
Spread Near-Next	457
Volume (Lots)	6607
Open Interest	19849
Change in OI (%)	3.01%

Gold - Outlook for the Day

BUY GOLD AUG (MCX) AT 68450 SL 68250 TARGET 68750/68900

Silver Market Update



Market View

Open	81421
High	82800
Low	81115
Close	82659
Value Change	1372
% Change	1.69
Spread Near-Next	2141
Volume (Lots)	14577
Open Interest	27838
Change in OI (%)	-6.70%

Silver - Outlook for the Day

BUY SILVER SEPT (MCX) AT 82200 SL 81500 TARGET 83700/84400

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.8100
High	83.8100
Low	83.7850
Close	83.7950
Value Change	-0.0150
% Change	-0.0179
Spread Near-Next	-0.4680
Volume (Lots)	110184
Open Interest	859568
Change in OI (%)	3.07%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 83.81, which was followed by a session where price shows consolidation with negative buyer with candle closures near open. A small red candle formed by the USDINR where price closes near all-time high. 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 trailing between 59-63 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

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