

Daily Bullion Physical Market Report

Date: 05th September 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	71280	71295
Gold	995	70995	71010
Gold	916	65293	65306
Gold	750	53460	53471
Gold	585	41699	41708
Silver	999	81038	81337

Rate as exclusive of GST as of 04th September 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
04 th September 2024	71295	81337
03 rd September 2024	71494	82278
02 nd September 2024	71511	82780
30 th August 2024	71958	85019

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2526.00	3.00	0.12
Silver(\$/oz)	DEC 24	28.56	0.21	0.75

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	862.74	0.00
iShares Silver	14,507.52	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2474.45
Gold London PM Fix(\$/oz)	2487.95
Silver London Fix(\$/oz)	28.08

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	OCT24	2500.2
Gold Quanto	OCT 24	71486
Silver(\$/oz)	DEC 24	28.50

Gold Ratio

Description	LTP
Gold Silver Ratio	88.45
Gold Crude Ratio	36.50

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	251097	14279	236818
Silver	44891	9609	35282

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	17715.16	32.55	0.18 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
05 th September 05:45 PM	United States	ADP Non-Farm Employment Change	143K	122K	High
05 th September 06:00 PM	United States	Unemployment Claims	231K	231K	High
05 th September 06:00 PM	United States	Revised Nonfarm Productivity q/q	2.4%	2.3%	Low
05 th September 06:00 PM	United States	Revised Unit Labor Costs q/q	0.8%	0.9%	Low
05 th September 07:15 PM	United States	Final Services PMI	55.0	55.2	Medium
05 th September 07:30 PM	United States	ISM Services PMI	51.2	51.4	High

Nirmal Bang Securities - Daily Bullion News and Summary

Gold erased earlier losses on Wednesday after US job openings data added to signs of a cooling labor market, setting the stage for the Federal Reserve to start lowering borrowing costs soon. US job openings fell in July to the lowest since the start of 2021 and layoffs rose, according to the Bureau of Labor Statistics Job Openings and Labor Turnover Survey, known as JOLTS. Treasury yields and the dollar tumbled after the print, helping bullion erase early losses to gain as much as 0.3%. Swap traders are now projecting the US central bank will cut its rate by a full percentage point in 2024. Money managers' bullish wagers in the week ending Aug. 27 on gold stood at the highest since March 2020, latest CFTC data showed. Traders will now eye jobs data due Friday, which is expected to show payrolls in the world's largest economy increased by about 165,000 last month, based on the median estimate in a Bloomberg survey of economists. Any signs of labor-sector weakening are likely to support a more aggressive pivot to easing by the Fed, potentially aiding gold. Gold has rallied by more than a fifth this year, supported by growing optimism that the Fed will start cutting rates from this month. Lower borrowing costs typically benefit the metal, which doesn't pay interest. Robust over-the-counter purchases and haven demand have also underpinned the advance.

Exchange-traded funds cut 41,094 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 2.57 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$102.4 million at yesterday's spot price. Total gold held by ETFs fell 3 percent this year to 83 million ounces. Gold advanced 21 percent this year to \$2,492.91 an ounce and fell by 0.3 percent in the latest session. The holdings of State Street's SPDR Gold Shares, the biggest precious-metals ETF, were little changed in the last session. The fund's total of 27.7 million ounces has a market value of \$69.1 billion. ETFs also cut 477,541 troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 16.3 million ounces.

Zimbabwe's August gold production rose from 2,480 kilograms the same month a year earlier, Fidelity Gold Refinery said in an emailed statement on Wednesday. Output by large scale miners was 1,027 kgs compared with 1,101 kgs produced prior year. Deliveries by small scale miners rose to 2,373 kgs from 1,380 kgs a year earlier. NOTE: August's production is the second-highest monthly output this year after July. NOTE: Zimbabwe produced 30.1 tons of gold last year, down from a record 35.3 tons in 2022. NOTE: In January through August this year, the country produced 20,680 kg, up from 19,335 kg a year earlier.

Economic activity was flat or declining across most regions in the US in recent weeks, the Federal Reserve said in its Beige Book survey of regional contacts. Employment levels were generally flat to up slightly, according to the report released Wednesday. While reports of layoffs were rare, some firms noted cutting shifts and hours, leaving advertised positions unfilled or reducing headcount through attrition. "Employers were more selective with their hires and less likely to expand their workforces, citing concerns about demand and an uncertain economic outlook," the report said. Prices and wages increased modestly during the period, according to the Fed. The Cleveland Fed compiled the latest edition of the Beige Book using information gathered on or before Aug. 26. The report includes commentary and anecdotes about business conditions in each of the Fed's 12 regional districts, collected directly from businesses and other contacts. The number of districts reporting flat or declining activity rose to nine in recent weeks, up from five in the prior period. Economic activity grew in three districts. Contacts, however, generally expected economic activity to remain stable or improve somewhat in coming months. Job seekers said finding employment was becoming more difficult and taking longer. Recent data has painted a similar picture. A weakening in the US job market, alongside declining inflation readings, prompted Fed Chair Jerome Powell to say last month the time had come for the central bank to lower interest rates. The first cut is widely expected when policymakers meet Sept. 17-18 in Washington. The unemployment rate has inched higher in recent months and employers have pulled back on hiring. US job openings fell in July to the lowest level since early 2021, according to a separate report released earlier Wednesday. In a press conference following Fed officials' latest gathering, Powell praised the Beige Book and said he takes anecdotal data seriously.

Fundamental Outlook: Gold and silver prices are trading slightly higher today on the international bourses. We expect gold and silver prices to trade range-bound to slightly higher for the day, as gold prices are steady, with US labor data due this week in focus as the market looks for clues on how aggressive the Federal Reserve's imminent rate-cutting cycle will be.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2470	2500	2520	2535	2550	2570
Silver – COMEX	December	28.00	28.30	28.60	28.80	29.00	29.30
Gold – MCX	October	71000	71200	71400	71700	71900	72100
Silver – MCX	December	82000	82700	83500	83800	84500	85200

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
101.36	-0.47	-0.46

Bond Yield

10 YR Bonds	LTP	Change
United States	3.7552	-0.0758
Europe	2.2230	-0.0530
Japan	0.8840	-0.0420
India	6.8580	-0.0130

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6418	-0.0025
South Korea Won	1335.5	-6.4000
Russia Rubble	87.5116	0.7450
Chinese Yuan	7.113	-0.0087
Vietnam Dong	24865	-10.0000
Mexican Peso	19.939	0.1448

NSE Currency Market Watch

Currency	LTP	Change
NDF	84.07	-0.0100
USDINR	84.0675	0.0450
JPYINR	57.9425	0.3450
GBPINR	110.21	0.0175
EURINR	92.935	0.0575
USDJPY	144.5	-1.0900
GBPUSD	1.3102	-0.0013
EURUSD	1.1048	-0.0002

Market Summary and News

□ The Indian rupee was little changed on Wednesday, with the benchmark bonds steady along with US Treasuries ahead of key data that could give cues on the Fed's rate path ahead. The Reserve Bank of India sold INR200B of t-bills at its weekly auction. 10-year yields edged lower by one basis point to 6.86%. USD/INR little changed at 83.9725. "Falling inflation and moderating growth may lead to RBI cutting rates by 100bps by Dec. 2025," Rahul Bajoria, the head of India and ASEAN economics research at Bank of America, writes in a note. "Inflation is likely to surprise lower, amid a good monsoon spell, and falling crude oil prices." Global Funds Buy Net 10.3B Rupees of Indian Stocks Sept. 3: NSE. They sold 620 million rupees of sovereign bonds under limits available to foreign investors, and added 850 million rupees of corporate debt. State-run banks sold 1.26 billion rupees of sovereign bonds on Sept. 3: CCIL data. Foreign banks sold 13 billion rupees of bonds. A near three-decade veteran fund manager in India is maxing out duration ahead of anticipated rate cuts, a sign of how a pivot among global central banks is encouraging investors to prepare for the coming era of cheaper money.

□ The dollar headed for its first daily drop in six as traders bolster bets on steep interest-rate reductions by the Federal Reserve this year after fresh economic data showed further labor-market cooling. The yen was outperforming all its peers in the group, while all of them rose against the greenback. The Bloomberg Dollar Spot Index slipped by 0.3%, its biggest drop since Aug. 23. A key segment of the US Treasury yield curve briefly turned positive as weaker-than-anticipated labor-market data bolstered bets on steep interest-rate cuts by the Fed. The chances of the Fed reducing interest rates by half a percentage point in September have increased, according to Nathan Thooft, a senior portfolio manager at Manulife Investment Management in Boston. He said he is still holding on to the firm's official call for a quarter-point reduction. "The US economy is weakening as is jobs data but it is not disastrous or alarming, and current Fed cut pricing is roughly aligned with our expectations if not a bit overdone," he said. "Weaker US data and expectation of more and quicker cuts by the Fed coupled with more hawkish comments from the BOJ are driving the yen today," he added. "Market positioning overall for the yen is a bit in no man's land with not a lot of conviction in either direction." USD/JPY down 1.1% to 143.88; it lost about 1% the day before. USD/CAD fell 0.3% after the local central bank cut the rate as widely expected, signaling that it will take next decisions one at a time; this less dovish comments offered support to the currency. "We have been seeing lately that some currencies, especially in the G-10, are rewarded for rate cuts given it helps domestic growth, provided the market believes that inflation is trending in the right direction," said Brad Bechtel, global head of FX at Jefferies Financial Group Inc. "There was no real change in the bank's forward guidance compared to the previous meeting and thus is not seen as adding to the rate disadvantage of the CAD," said Valentin Marinov, head of G-10 FX strategy at Credit Agricole SA in London.

□ Emerging stocks slumped as investors shunned risk assets amid concerns over economic growth — even as Wednesday's US data reinforced bets the Federal Reserve will start cutting rates soon. MSCI's equity benchmark closed 1.5% lower, falling for the sixth time in seven days. Earlier, US job openings fell in July to the lowest since the start of 2021 and layoffs rose, consistent with other signs of a further slowdown in the labor market. A selloff in US technology stocks spread to emerging markets and fresh data brought further evidence of a deepening slowdown in China's economy. Nvidia's slump, which pulled global chipmakers and risk assets lower, comes after a tumultuous few months for the AI market darling. MSCI EM Currency Index inched slightly higher, amid broad dollar weakness, extending a run of small moves; gauge hasn't moved more than 0.2% at close for past six days. Mexican peso declines, in a volatile session, as traders digested an approval of a judicial overhaul in the lower house of Congress; Chile peso falls after the central bank cut its benchmark rate by a quarter-point, and signaled more reductions ahead in the accompanying statement. Brazil's central bank needs to change course and raise interest rates by nearly 2 percentage points over the next six months to douse a heated economy and tame inflation expectations, a former director said. Poland's central bank kept interest rates unchanged yet again, defying growing pressure to restart monetary easing. Hungary has to make sure the economy is on a path toward sustainability anchoring inflation around 3% when deciding potential further rate cuts. Deputy Governor Barnabas Virag says in interview with Inforadio.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.8950	83.9225	83.9575	83.9825	84.0425	84.0750

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	71400
High	71595
Low	70913
Close	71466
Value Change	85
% Change	0.12
Spread Near-Next	457
Volume (Lots)	7052
Open Interest	15066
Change in OI (%)	-4.21%

Gold - Outlook for the Day

BUY GOLD OCT (MCX) AT 71400 SL 71150 TARGET 71700/71850

Silver Market Update



Market View	
Open	83158
High	84034
Low	82589
Close	83567
Value Change	313
% Change	0.38
Spread Near-Next	2524
Volume (Lots)	11850
Open Interest	31968
Change in OI (%)	-1.50%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 83200 SL 82500 TARGET 83800/84300

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	84.0150
High	84.0900
Low	84.0100
Close	84.0675
Value Change	0.0450
% Change	0.0536
Spread Near-Next	-0.7405
Volume (Lots)	171962
Open Interest	1649908
Change in OI (%)	4.44%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 83.01, which was followed by a session where price shows strong buying from lower level with candle enclosure below near high. A green candle formed by the USDINR price where price taken support of 20-days moving average placed at 84.01. On the daily chart, the MACD showed a negative crossover above zero-line, while the momentum indicator, RSI moving north near 60 level shows positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 84 and 84.13.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SEPT	83.9775	84.0150	84.0425	84.1150	84.1575	84.1950

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