

Daily Bullion Physical Market Report

Date: 08th October 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	75586	75933
Gold	995	75283	75629
Gold	916	69237	69555
Gold	750	56690	56950
Gold	585	44218	44421
Silver	999	91684	91940

Rate as exclusive of GST as of 07th October 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
07 th October 2024	75933	91940
04 th October 2024	75964	92200
03 rd October 2024	75615	90671
01 st October 2024	75515	89882

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2666.00	-1.80	-0.07
Silver(\$/oz)	DEC 24	32.00	-0.39	-1.20

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	876.26	-1.14
iShares Silver	14,508.57	21.28

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2651.60
Gold London PM Fix(\$/oz)	2640.95
Silver London Fix(\$/oz)	31.88

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC 24	2663.6
Gold Quanto	DEC 24	76065
Silver(\$/oz)	DEC 24	31.96

Gold Ratio

Description	LTP
Gold Silver Ratio	83.30
Gold Crude Ratio	34.56

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	267477	18517	248960
Silver	53088	14709	38379

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	19036.24	-71.04	-0.37 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
08 th October 12:30 PM	United States	FOMC Member Kugler Speaks	-	-	Low
08 th October 06:00 PM	United States	Trade Balance	-70.1B	-78.8B	Low
08 th October 10:15 PM	United States	FOMC Member Bostic Speaks	-	-	Low
09 th October 01:30 AM	United States	FOMC Member Collins Speaks	-	-	Low
09 th October 05:00 AM	United States	FOMC Member Jefferson Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold slipped on Monday as traders pared expectations of Federal Reserve interest-rate cuts in the wake of stronger-than-expected US jobs data. Bullion traded near \$2,643 an ounce, still close to a record high of \$2,685.58 reached late last month. Key US Treasury yields are back at 4% after Friday's blowout US jobs numbers undercut chances of a big rate reduction by the Fed in November. Money markets are now pricing less than a quarter-point move next month. Lower rates are often seen as bullish for non-interest bearing gold. US inflation data due later this week could offer further clues on the rate path. Fed officials including Alberto Musalem are also due to speak at events later Monday. Gold has rallied about 28% this year — hitting a series of all-time highs — with recent gains fueled by rate-cut optimism. The metal has also been supported by robust purchases by central banks as well as haven demand amid ongoing conflicts in Ukraine and the Middle East. Meanwhile, money managers cut their net-bullish wagers on gold to a three-week low as of Oct. 1, Commodity Futures Trading Commission data showed on Friday.

□ Gold's breathtaking surge this year to repeated record highs hasn't stopped bullion from flying off shelves at Costco Wholesale Corp. stores across the US. Costco's one-stop shopping convenience is bringing gold buying to the masses by offering prices that undercut traditional precious metals dealers and extra rewards for its most loyal customers. Add to that gold's appeal as a safe haven and hedge against inflation and it's easy to see why bullion buyers are turning to the warehouse retailer. Spot gold has jumped nearly 30% this year, successively hitting record highs. Its ferocious rally makes it not only one of the best-performing commodities, but also means that metal has outperformed US equities and bonds. The surge has been driven by its appeal as a haven asset in times of geopolitical and economic uncertainty and its role as diversification play to safeguard wealth. It surpassed \$2,600 an ounce last month, bolstered by the Federal Reserve's shift to interest-rate cuts. Non-yielding gold tends to rise in a low-rate environment. A flurry of buying from Costco is happening amid signs elsewhere that cash-strapped Americans are cashing in on gold's rally. New York's pawn shops and jewelers have seen a flood of sellers. Sales of American eagle gold coins — a proxy for retail buying — tumbled 64% in the January-September period from a year earlier, according to US Mint data. Costco started selling bullion in June 2023 in US stores and on its website. The Swiss-made 24 karat bars are small — about the size of those mini chocolate bars handed out on Halloween, but not as thick — and encased in cardboard-and-plastic packaging. While the retailer doesn't disclose how much it sells, the buzz created by shoppers in person and on the Internet offers a snapshot of its popularity. Costco customers, who pay membership fees, tend to have higher household incomes than those frequenting other retail chains. Those buying gold seem to be wooed by the ease of dealing with a big-box outlet to collect the longstanding store of wealth.

□ Federal Reserve Bank of Minneapolis President Neel Kashkari reiterates that he supported the decision to lower interest rates by a half point at the central bank's September meeting. "I supported the decision because we made a lot of progress on inflation and because the labor market is showing some signs of weakening," Kashkari says at an event in Edina, Minnesota. Kashkari says the balance of risks has shifted away from inflation and toward unemployment. The labor market remains "strong," he says, adding officials would like to keep it so. Kashkari says there is "huge uncertainty" around the so-called neutral interest rate, which is a level that neither stimulates nor restrains the economy. He says he penciled in a number around 3% in his latest projection. "We think we have a lot of confidence that inflation should be on its way back down to our 2% target," Kashkari says. Kashkari says the Fed still has a ways to go on reducing the size of its balance sheet, but that it won't get back to pre-Covid levels. Once the Fed halts quantitative tightening, the balance sheet will grow over time amid rising demand for reserves. NOTE: Fed's Kashkari Expects Two Quarter-Point Cuts before Year's End.

□ Federal Reserve Bank of St. Louis President Alberto Musalem said he supported the US central bank's decision last month to lower interest rates by a half point, but emphasized he'd prefer further reductions to be gradual. Musalem said he penciled in a rate path that was slightly higher than the median official in the Federal Open Market Committee's Summary of Economic Projections released last month, but he would not prejudge the scale or pace of future rate moves. "Given where the economy is today, I view the costs of easing too much too soon as greater than the costs of easing too little too late," Musalem said Monday in remarks prepared for an event organized by the Money Marketers of New York University Inc. "I believe that further gradual reductions in the policy rate will likely be appropriate over time," Musalem said in his remarks. "Patience has served the FOMC well in its pursuit of price stability and remains appropriate now, but I will not prejudge the size or timing of future adjustments to policy." Fed officials lowered their benchmark rate by a half point last month, a larger-than-anticipated move that Fed Chair Jerome Powell said was meant to protect a strong labor market. Musalem said such a move was appropriate because inflation was falling more quickly toward the central bank's 2% goal than he had anticipated. He forecasts the Fed's preferred measure of inflation — the personal consumption expenditures price index — will converge to 2% over the "next few quarters." Economic projections released after the September meeting showed the median policymaker penciled in another half point of rate reductions this year, implying a quarter-point cut at each of the central bank's two remaining 2024 meetings.

Fundamental Outlook: Gold and silver prices are trading lower today on the international bourses. We expect gold and silver prices to trade range-bound to marginally lower for the day; as the market weighed signs the Federal Reserve will opt for a quarter-point rate cut next month against the risk of a major war in the Middle East.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2600	2620	2650	2665	2685	2710
Silver – COMEX	December	30.80	31.00	31.30	31.50	31.80	32.00
Gold – MCX	December	75200	75500	75800	76100	76400	76600
Silver – MCX	December	89200	90000	90700	91300	92000	92700

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
102.54	0.02	0.02

Bond Yield

10 YR Bonds	LTP	Change
United States	4.0256	0.0584
Europe	2.2540	0.0460
Japan	0.9340	0.0480
India	6.8490	0.0170

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4897	0.0338
South Korea Won	1344.25	-3.9500
Russia Rubble	96.0475	0.9730
Chinese Yuan	7.0187	0.0076
Vietnam Dong	24852	96.0000
Mexican Peso	19.2833	-0.0008

NSE Currency Market Watch

Currency	LTP	Change
NDF	84.11	0.0000
USDINR	84.065	0.0050
JPYINR	56.82	-0.7675
GBPINR	109.9925	-0.6525
EURINR	92.2375	-0.5750
USDJPY	147.83	1.8300
GBPUSD	1.3061	-0.0094
EURUSD	1.0991	-0.0052

Market Summary and News

□ US bonds tumbled on Monday, deepening a rout triggered by strong labor-market data that caused traders to sharply ratchet back bets on aggressive Federal Reserve interest-rate cuts. The declines pushed key yields above 4%, levels last seen in August, as investors abandoned their bullish bets on Treasuries. For the first time since Aug. 1, money markets imply fewer than 50 basis points of rate reductions through the end of the year. Traders now see just an 80% chance the Fed cut rates by even 25 basis points in November. "The discussion is shifting into whether there's going to be a cut at all," said Jan Nevruzi, an interest-rate strategist at TD Securities. "Things are not looking as bad from an economic perspective, and that leads you to reprice the Fed." TD continues to expect a quarter-point cut in November. The 10-year yield rose as much as six basis points to 4.03%, while the two-year yield jumped as much as up ten basis points to 4.02%. The underperformance in shorter-dated Treasuries saw a key part of the yield curve briefly re-invert. Historically, bond yield curves slope upward with longer notes paying higher yields, a norm that was disrupted for almost two years as the Fed hiked rates aggressively. The moves reflect a revival of expectations in the bond market that the Fed will pull off a "no landing" scenario – a situation where the US economy keeps growing, inflation reignites and the Fed has little room to cut interest rates. Friday's report revived a set of worries around overheating, spoiling a five-month run of gains in Treasuries. "We've expected higher yields, but anticipated a somewhat gradual adjustment," Goldman Sachs Group Inc. strategists including George Cole wrote in a note. "The extent of strength in the September jobs report may have accelerated that process, with renewed debate on the extent of policy restriction, and, in turn, the likely depth of Fed cuts."

□ The dollar is steady as traders dial back their wagers on Federal Reserve interest-rate cuts. Japanese yen advanced and is among the best performers in the Group of 10, while the British pound was lagging peers. The Bloomberg Dollar Spot Index little changed, following its best week in two years. "The jobs data has led to a violent repricing of Fed expectations," said Win Thin, global head of markets strategy at Brown Brothers Harriman. "The dollar is also getting a safe haven bid as Middle East tensions rise." "The US CPI this week along with the FOMC minutes will be a key driver for risk mood flip-flops," Bob Savage, head of markets strategy and insights at BNY, wrote in a note. "The developed markets are under the power of a new paradigm where growth beats inflation worries globally except perhaps in the US," he said. "The USD exceptionalism looks tired." GBP/USD fell 0.4% to 1.3074; EUR/USD traded little-changed at 1.0967; the European Central Bank will "quite probably" cut interest rates at its next meeting later this month, according to Governing Council member Francois Villeroy de Galhau. "Villeroy commented on a broader shift in the balance or risks, noting sub-1.8% market inflation pricing for 2025," strategists Stuart Jenkins and Teresa Alves wrote in a note. "We think a continued shift in ECB thinking in that direction, alongside the weakening domestic growth outlook, should catalyze EUR downside, despite recent resilience in the currency," they said. USD/CHF fell 0.5% to 0.8542; Swiss franc was the best performer in the group. USD/JPY drops 0.4% to 148.12; Japan's newly appointed Finance Minister Katsunobu Kato said sudden currency moves hurt companies and households and the government needs to carefully monitor any impact from them. The country's chief currency official Atsushi Mimura also said he's looking at the FX market with a sense of urgency, including what happens to speculative moves. BOJ indicated it remains on track to consider more rate hikes by upgrading its assessments for two regional economies, while also offering little evidence of any need for immediate action. NZD/USD downs a fifth day, longest losing streak since July; kiwi slips 0.7% to 0.6117, lowest since Sept. 11.

□ Developing-nation currencies fell for a fifth session, clocking their longest streak of losses since July, amid growing concern that the Federal Reserve will slow the pace of interest-rate cuts as the US economy remains resilient. El Salvador bonds outperformed peers amid a plan to buy back notes. The Malaysian ringgit, the Indonesian rupiah and the Thai baht were among the worst performers in a basket of EM currencies tracked by Bloomberg. Investors will shift focus to the US CPI data on Thursday after a blowout nonfarm payrolls report last week tempered bets on a half-point rate cut at the Fed's November meeting. "With the NFP out of the way, the US CPI reading is the last major data point ahead of the November FOMC. The debate for a 50bps cut is now extremely challenging for an institution that reminds us that they are data dependent," Gramercy Funds Management wrote in a note. Traders also keep an eye on lingering geopolitical risks. The MSCI gauge for emerging-market equities rose for a second day, mostly driven by gains in Asian semiconductor companies; a subindex for Latin America stocks retreated 0.8%. In bond markets, El Salvador's notes jumped after the launch of a tender offer for several debt instruments. Sri Lanka bonds gained after the country's new president said he remains committed to overall objectives of IMF's \$3 billion loan program.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.8550	83.9025	83.9575	84.0425	84.0925	84.140

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	76005
High	76331
Low	75840
Close	76045
Value Change	-98
% Change	-0.13
Spread Near-Next	517
Volume (Lots)	5299
Open Interest	15744
Change in OI (%)	-3.59%

Gold - Outlook for the Day

BUY GOLD DEC (MCX) AT 75500 SL 75200 TARGET 75850/76100

Silver Market Update



Market View	
Open	93161
High	93305
Low	91475
Close	92357
Value Change	-992
% Change	-1.06
Spread Near-Next	2381
Volume (Lots)	17889
Open Interest	25605
Change in OI (%)	-0.64%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 90700 SL 90000 TARGET 91700/92200

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	84.0550
High	84.0700
Low	84.0250
Close	84.0650
Value Change	0.0050
% Change	0.0059
Spread Near-Next	-0.7380
Volume (Lots)	1384882
Open Interest	2635121
Change in OI (%)	8.57%

USDINR - Outlook for the Day

The USDINR future witnessed flat opening at 84.05, which was followed by a session where price shows strong minimal from lower level with candle enclosure near high. A small green candle has been formed by the USDINR price where price closed above 20-days moving average placed at 83.95. The short-term moving averages given negative crossover. On the daily chart, the MACD showed a positive crossover below zero-line, while the momentum indicator, RSI trailing between 50-55 levels shows positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 84.01 and 84.12.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR OCT	83.9175	83.9650	84.0025	84.1050	84.1575	84.2050

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