

Daily Bullion Physical Market Report

Date: 01st August 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	69364	69309
Gold	995	69086	69031
Gold	916	63537	63487
Gold	750	52023	51982
Gold	585	40578	40546
Silver	999	83065	82974

Rate as exclusive of GST as of 31st July 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
31 st July 2024	69309	82974
30 th July 2024	68680	81350
29 th July 2024	68800	82192
26 th July 2024	81336	81271

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2473.00	21.10	0.86
Silver(\$/oz)	SEPT 24	28.94	0.41	1.45

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)	2419.60
Gold London PM Fix(\$/oz)	2426.30
Silver London Fix(\$/oz)	28.56

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	AUG 24	2470.2
Gold Quanto	AUG 24	69675
Silver(\$/oz)	SEPT 24	29.15

Gold Ratio

Description	LTP
Gold Silver Ratio	85.46
Gold Crude Ratio	31.74

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	17425.24	144.61	0.83 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
01 st August 06:00 PM	United States	Unemployment Claims	236K	235K	High
01 st August 06:00 PM	United States	Prelim Nonfarm Productivity q/q	1.7%	0.2%	Low
01 st August 06:00 PM	United States	Prelim Unit Labor Costs q/q	1.8%	4.0%	Low
01 st August 07:15 PM	United States	Final Manufacturing PMI	49.5	49.5	Medium
01 st August 07:30 PM	United States	ISM Manufacturing PMI	48.8	48.5	High
01 st August 07:30 PM	United States	ISM Manufacturing Prices	51.9	52.1	Medium
01 st August 07:30 PM	United States	Construction Spending m/m	0.2%	-0.1%	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold rose to the highest in nearly two weeks on Wednesday, on pace for its best month since March, after the Federal Reserve signaled its inching closer to cutting interest rates from a two-decade high. Federal Reserve Chair Jerome Powell said an interest-rate cut could come as soon as September after the US central bank voted to leave its benchmark unchanged. His comments followed a Federal Open Market Committee decision to leave the federal funds rate in a range of 5.25% to 5.5%, a level they have maintained since last July. Policymakers also made several adjustments to the language of a statement released after their two-day meeting in Washington. Notably, the committee shifted to saying it is “attentive to the risks to both sides of its dual mandate,” rather than prior wording focused just on inflation risks. Gold hit a record on July 17, driven largely by expectations of imminent rate cuts and rising geopolitical risks after the failed assassination attempt on Donald Trump. The metal has been supported as Asian investors ramped up demand for physical bars in the over-the-counter market, and central banks kept up bullion-buying to diversify their reserves. Tensions in the Middle East also helped provide strong support to gold. Hamas blamed Israel for killing its political leader, Ismail Haniyeh, in an airstrike on Tehran. The attack followed an Israeli strike on Beirut that targeted a Hezbollah commander, with the potential for more violence across the region underscoring gold’s haven appeal.

□ Hamas said Israel assassinated its political leader, Ismail Haniyeh, in an airstrike on Iran’s capital, putting the Middle East even further on edge. Iran’s supreme leader said he had a “duty to seek vengeance” and that Israel should prepare for “severe punishment.” Haniyeh, a chief negotiator for Hamas who’s based in Qatar, was in Tehran for the inauguration of Iran’s new president on Tuesday. He was killed “in a treacherous Zionist airstrike on his residence” in the city overnight, Hamas said in a statement early Wednesday. Iranian media said his bodyguard also died. Oil prices jumped, with Brent crude climbing 2.7% to above \$80 a barrel as of 12:15 p.m. in London, though it’s still down since Friday. Gold also rose. The shekel weakened to head for its worst week since the start of Israel’s war with Hamas in October. The Israeli government and military are yet to comment. US Secretary of State Antony Blinken said America was neither involved in nor aware of the attack before it happened. Haniyeh’s death came just after an Israeli strike on Lebanon’s capital of Beirut late Tuesday aimed at a senior commander of Hezbollah, another Iran-supported group. That incident, which Israel says killed the commander, Fuad Shukur, was a response to a deadly rocket assault in the Israeli-controlled Golan Heights over the weekend. The elimination of Haniyeh will be seen as a major coup by Israeli Prime Minister Benjamin Netanyahu and his coalition, which vowed to kill Hamas leaders after the group’s Oct. 7 attack. Yet the move will inflame tensions with Iran and is hugely embarrassing for the Islamic Republic.

□ Gold reserves at the Monetary Authority of Singapore fell by 12 tons in June, the largest monthly decline in records dating back to 2000, data from the central bank shows. Central bank purchasing has been a key driver of bullion’s recent rally to record prices, and Singapore’s decline last month is an anomaly to the general trend. In 2023, central banks added 1,037 tons of gold to reserves, the second-highest ever, following a record 1,082 tons the previous year, according to a report by the World Gold Council in June. In the second quarter of this year, demand for gold by central banks slumped 39% on a quarterly basis even as it rose slightly from year-to-year, the WGC said in a separate report. Gold remains an attractive asset to central banks due to its haven status. Bullion prices are up 17% this year.

□ Federal Reserve Chair Jerome Powell said an interest-rate cut could come as soon as September after the US central bank voted to leave its benchmark at the highest level in more than two decades. “The question will be whether the totality of the data, the evolving outlook, and the balance of risks are consistent with rising confidence on inflation and maintaining a solid labor market,” Powell told reporters Wednesday. “If that test is met, a reduction in our policy rate could be on the table as soon as the next meeting in September.” His comments followed a Federal Open Market Committee decision to leave the federal funds rate in a range of 5.25% to 5.5%, a level they have maintained since last July. Policymakers also made several adjustments to the language of a statement released after their two-day meeting in Washington, signaling they are closer to reducing borrowing costs. Notably, the committee shifted to saying it is “attentive to the risks to both sides of its dual mandate,” rather than prior wording focused just on inflation risks. “In recent months, there has been some further progress toward the committee’s 2% inflation objective,” the FOMC statement said. “The committee judges that the risks to achieving its employment and inflation goals continue to move into better balance.” Officials also tempered their assessment of the labor market, noting job gains had moderated and the unemployment rate has moved up, but are still low. They said inflation has eased over the past year but remains “somewhat elevated.” Still, policymakers retained language that they didn’t expect it would be appropriate to lower borrowing costs until they had gained “greater confidence” that inflation is moving toward their target sustainably. Two-year Treasury yields moved lower and S&P 500 index added to gains on the day while the dollar remained lower. A quarter-point reduction remains more than fully priced in for September, according to futures; implying investors see some chance of a bigger move. Still, when asked at the press conference about prospects for a half-point cut, Powell said at the press conference that it was “not something we’re thinking about right now.” The changes in the statement solidify a shift in tone among several policymakers, including Powell, recognizing growing risks to the labor market. They are also likely to reinforce expectations among economists and investors for a rate cut at the central bank’s Sept. 17-18 gathering.

Fundamental Outlook: Gold and silver prices are trading slightly lower today on the international bourses. We expect gold and silver prices to trade higher for the day, as gold prices steadied just below a record high as the Federal Reserve signaled a shift toward to interest-rate cuts next month, and elevated tensions in the Middle East supported haven demand.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	2425	2455	2480	2500	2525	2545
Silver – COMEX	September	28.50	28.70	29.00	29.20	29.45	29.70
Gold – MCX	August	69200	69500	69800	70100	70400	70700
Silver – MCX	September	81700	82500	83300	83800	84500	85300

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
104.10	-0.46	-0.44

Bond Yield

10 YR Bonds	LTP	Change
United States	4.0296	-0.1098
Europe	2.3010	-0.0360
Japan	1.0560	0.0520
India	6.9260	-0.0090

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6505	0.0376
South Korea Won	1371.2	-13.2500
Russia Rubble	85.9484	-0.1105
Chinese Yuan	7.2267	-0.0143
Vietnam Dong	25264	-20.0000
Mexican Peso	18.617	-0.1474

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.78	0.0000
USDINR	83.78	-0.0150
JPYINR	55.8225	1.4875
GBPINR	107.6025	-0.0250
EURINR	90.88	0.0850
USDJPY	149.65	-4.4800
GBPUSD	1.2838	-0.0016
EURUSD	1.0835	-0.0009

Market Summary and News

□ The US dollar fell after the Federal Reserve left its policy rate unchanged at 5.25-5.50%, with Chair Jerome Powell noting in a press conference that an interest-rate cut could come as soon as September. In its statement, the central bank reiterated that it's waiting for "greater confidence" on inflation to lower interest rates. The yen held near a four-month high after the Bank of Japan delivered a hike and announced a plan to halve its bond purchases. The Bloomberg Dollar Spot Index fell as much as 0.6%, biggest intraday drop since July 11; volumes bounded higher after the Fed. Yield on 10-year Treasuries is down four basis point at 4.10% while the 2-year yield slips three basis points to 4.33%. US companies added the fewest number of workers since the start of the year and wage growth slowed, according to ADP Research Institute. USD/JPY pared its drop after tumbling over 2% to 149.64, its lowest since March 19; pair is down 7.2% in July, worst month since Nov. 2022. Traders see carry trades largely unwound, faded yen gains ahead of the Fed decision with dollar call turnover outpacing puts nearly 2 to 1. The BOJ raised its policy rate to around 0.25%; Governor Kazuo Ueda cited a weak yen as a risk factor for rising inflation, and suggested that the central bank could raise rates beyond 0.5% if necessary, underscoring his determination to normalize monetary policy. "The drawdown in USDJPY is likely mostly done, for now," write Erik Nelson and Jack Boswell at Wells Fargo. EUR/USD is up 0.1% at 1.0830 after the Fed decision and a surprising uptick in Eurozone inflation. USD/CHF falls to 0.8771 four-month low before recovering amid interbank volumes at London close; pair is down 2.3% in July. GBP/USD is up 0.2% at 1.2859 in solid interbank turnover ahead of a Bank of England policy decision on Thursday. Markets are pricing a roughly 50-50 possibility that the BOE may start cutting rates, which could weigh on the pound; analysts at Monex say they expect that a hold could push the pound towards 1.30. "We expect the BoE to vote 5-4 to cut the Bank Rate by 25bps at its meeting next week. We highlight that it is a close call," note analysts at Bank of America. AUD/USD rises 0.2% to 0.6548, reversing a loss of 0.9% amid hedge fund demand; AUD/JPY was briefly on pace for worst monthly drop since 2008. NZD/USD rises as much as 1.0% to 0.5962, biggest gain since June 12, as it rebounds from a 2.2% monthly loss. USD/CAD fell 0.4% to a one-week low 1.3788 as loonie shorts were covered; Canada 2-year yields firmed after GDP beat estimates, rising 0.2% in May.

□ Indexes for developing-nation stocks and currencies rose Wednesday as Fed Chair Jerome Powell's remarks boosted bets for an interest-rate cut in September. MSCI's EM currency benchmark gauge climbed as much as 0.5% before closing the day with a 0.2% gain after an end-of-day adjustment. Chile's peso, the best performer among peers, rose 1.3% to at 942/USD. The nation's central bankers will decide on the key rate later in the day. Brazil's real was the worst performer, dropping 0.6% to 5.64/USD as local traders are reporting a dollar demand at fixing price on the last session of the month. MSCI's EM stocks index ended the day with a 1.2% gain. Samsung Electronics rises most since May 7 after posting 2Q net income that beat estimates and the company revealed a plan to boost high-bandwidth memory output. The strength was also driven by Chinese stocks as traders bet authorities in Beijing will have to unveil more forceful stimulus after data showed China's factory activity shrank for a third straight month. The index posted its first monthly loss since January. Colombia's central bank lowered borrowing costs by a half point to 10.75%. The peso rose 0.4%; Colombia Cuts Interest Rate Half a Percentage Point to 10.75%. Bonds from Venezuela and its state-oil company slipped across the curve amid speculation that Nicolás Maduro may try to bring forward the inauguration of his third presidential term. Maduro Asks Friendly Venezuela Court to Verify His Election Win. Israel's shekel tumbles and is poised for its biggest three-day loss in more than two years. Israeli assets were the outliers to a risk-on day for emerging markets, posting some of the worst losses in the world, as the conflict in the Middle East continued to worsen. Israel's dollar bonds post worst losses among EM peers in Bloomberg gauge. President Nicolás Maduro asked Venezuela's top court to audit the results of Sunday's presidential election in a bid to legitimize his self-declared victory, despite the opposition's claim it has proof that he stole the vote. China's central bank is planning to move the date on which it injects one-year liquidity to domestic lenders to the 25th of each month, according to people familiar with the matter, as part of a shift to relying primarily on a short-term interest rate to steer markets. Saudi Arabia's economy contracted at a slower pace before a likely turnaround starting this quarter ends a stretch of declines that began a year ago, as the effect of OPEC+ oil production cuts begins to wane. The Malaysian ringgit erased losses for the year, bolstered by stronger growth and expectations of an impending interest rate cut by the Federal Reserve.

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	69456
High	69696
Low	69400
Close	69655
Value Change	477
% Change	0.69
Spread Near-Next	488
Volume (Lots)	4966
Open Interest	19683
Change in OI (%)	-0.84%

Gold - Outlook for the Day

BUY GOLD OCT (MCX) AT 69800 SL 69500 TARGET 70100/70400

Silver Market Update



Market View

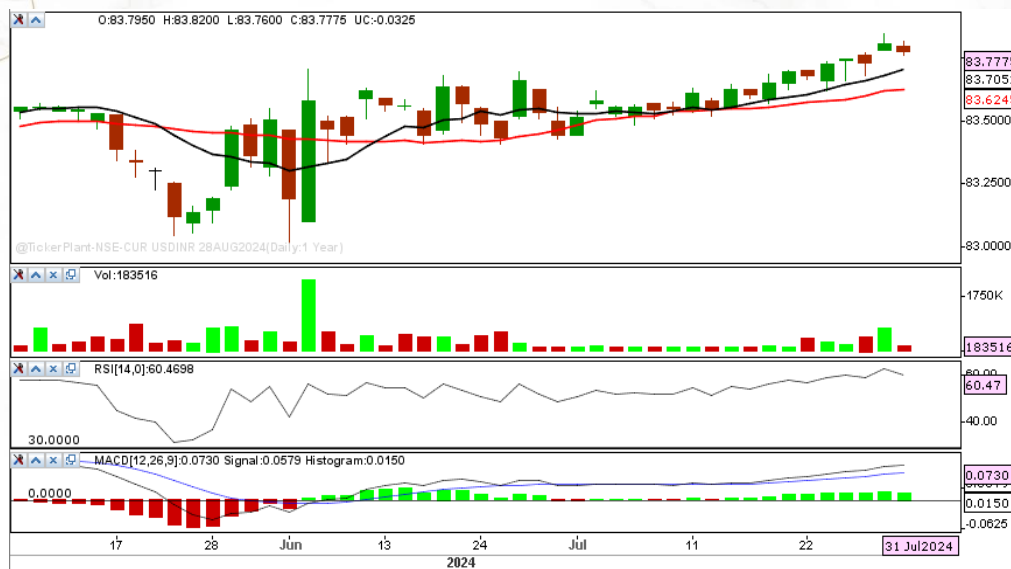
Open	82890
High	83960
Low	82890
Close	83596
Value Change	937
% Change	1.13
Spread Near-Next	2148
Volume (Lots)	13062
Open Interest	26857
Change in OI (%)	-3.65%

Silver - Outlook for the Day

BUY SILVER SEPT (MCX) AT 83300 SL 82500 TARGET 84500/85300

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.7950
High	83.8200
Low	83.7600
Close	83.7800
Value Change	-0.0150
% Change	-0.0179
Spread Near-Next	-0.4530
Volume (Lots)	183516
Open Interest	873446
Change in OI (%)	1.59%

USDINR - Outlook for the Day

The USDINR future witnessed a gap-down opening at 83.79, which was followed by a session where price shows profit taking from higher level with candle closures near low. A red candle formed by the USDINR where price closes below two days low. 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 83.70 and 83.82.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR AUGUST	83.6525	83.7050	83.7475	83.8225	83.8550	83.8975

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