

Daily Bullion Physical Market Report

Date: 27th September 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	75406	75750
Gold	995	75104	75447
Gold	916	69072	69387
Gold	750	56555	56812
Gold	585	44113	44314
Silver	999	90817	92522

Rate as exclusive of GST as of 26th September 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
26 th September 2024	75750	92522
25 th September 2024	75248	90730
24 th September 2024	74764	88402
23 rd September 2024	74467	87756

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	DEC 24	2694.90	10.20	0.38
Silver(\$/oz)	DEC 24	32.34	0.32	1.01

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	877.12	0.00
iShares Silver	14,457.51	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2668.90
Gold London PM Fix(\$/oz)	2663.75
Silver London Fix(\$/oz)	32.48

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	OCT24	2695.7
Gold Quanto	OCT 24	76253
Silver(\$/oz)	DEC 24	32.21

Gold Ratio

Description	LTP
Gold Silver Ratio	83.33
Gold Crude Ratio	39.82

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	273295	20667	252628
Silver	53201	10889	42312

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18925.54	93.91	0.50 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
27 th September 06:00 PM	United States	Core PCE Price Index m/m	0.2%	0.2%	High
27 th September 06:00 PM	United States	Goods Trade Balance	-100.6B	-102.7B	Low
27 th September 06:00 PM	United States	Personal Income m/m	0.4%	0.3%	Low
27 th September 06:00 PM	United States	Personal Spending m/m	0.3%	0.5%	Low
27 th September 06:00 PM	United States	Prelim Wholesale Inventories m/m	0.2%	0.2%	Low
27 th September 07:30 PM	United States	Revised UoM Consumer Sentiment	69.3	69.0	Medium
27 th September 07:30 PM	United States	Revised UoM Inflation Expectations	-	2.7%	Low
27 th September 10:45 PM	United States	FOMC Member Bowman Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Silver hit the highest level since 2012 on Thursday, while gold reached a new record as expectations for additional Federal Reserve interest-rate cuts boosted precious metals. The white metal climbed as much as 2.8% to \$32.71 an ounce on Thursday, extending this year's gain to 37%. Its advance came during a broad rally for precious metals, with gold hitting another all-time high. Both metals gave up some of their early gains after the latest US data showed the labor market remained resilient. Silver is one of the year's best-performing major commodities as the Fed's pivots toward easier monetary policy last week, and the prospect of further rate cuts, benefit the non-yielding metals. Gains have been supported by the possibility of increased industrial use as China moves to boost its economy, while flows into silver-backed exchange-traded funds have shown signs of picking up. Traders of precious metals will be analyzing a pre-recorded address by Fed Chair Jerome Powell that's due to air later Thursday at the 10th annual US Treasury Market Conference. Several policymakers have expressed their openness to making additional — potentially large — interest-rate cuts. US data including the personal consumption expenditures gauge due Friday could give additional indications on the Fed's likely easing path.

□ Exchange-traded funds added 72,713 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 2.06 million ounces, according to data compiled by Bloomberg. This was the third straight day of growth. The purchases were equivalent to \$193.2 million at yesterday's spot price. Total gold held by ETFs fell 2.4 percent this year to 83.5 million ounces, the highest level since Feb. 6. Gold advanced 29 percent this year to \$2,656.89 an ounce and remained little changed 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 28.2 million ounces has a market value of \$74.9 billion. ETFs cut 2.29 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 16.8 million ounces.

□ Federal Reserve Governor Lisa Cook said she "wholeheartedly" supported the central bank's move last week to cut interest rates by a half percentage point, citing a slowing labor market and easing inflation. "That decision reflected growing confidence that, with an appropriate recalibration of our policy stance, the solid labor market can be maintained in a context of moderate economic growth and inflation continuing to move sustainably down to our target," Cook said Thursday in remarks at Ohio State University. The Fed governor didn't say how much more easing might be needed in the near term, but would look carefully at incoming economic data and the balance of risks when considering the path of policy. The Federal Open Market Committee lowered its benchmark rate by 50 basis points on Sept. 18 to a range of 4.75% to 5%. Forecasts released the same day showed the median projection from Fed officials called for an additional 50 basis points in cuts over the panel's two remaining meetings this year. Cook said the labor market coming into better balance and inflation heading back to the Fed's 2% target reflected a welcome return from the turmoil of the pandemic. She acknowledged, however, "the normalization of the economy" may make it harder for some individuals to find employment, such as recent college graduates, those less-educated and minority workers.

□ Mounting pressures in the repurchase agreements market could eventually pull the fed funds rate higher, according to Federal Reserve Bank of New York's Roberto Perli. But so far, pressures in the repo market don't appear to be close to the point they would start affecting the Fed's benchmark rate, which means there's still room for policymakers to continue shrinking the balance sheet, Perli said Thursday at the New York Fed's 10th annual US Treasury Market Conference. The share of repo transactions that are priced at or above the interest on reserve balances rate — or IORB, which is currently 4.9% — "has increased notably since the spring," Perli said. Roberto Perli, manager of the System Open Market Account (SOMA) for the Federal Reserve Bank of New York, during the National Association of Business Economics (NABE) economic policy conference in Dallas, Texas, US, on Tuesday, Oct. 10, 2023. While the gap between the fed funds and IORB has long been the key indicator of reserve scarcity in the financial system, Perli, who oversees the central bank's portfolio of assets, said a stable spread doesn't necessarily guarantee "that all is quiet in money markets." In May, Perli first laid out metrics that officials are watching to determine the point at which bank reserves start to become scarce — and the Fed's balance-sheet unwind, known as quantitative tightening, likely has to stop. Those indicators include the federal funds rate and balances at the reverse repo facility, domestic institutions' borrowing in the fed funds market, and the share of outgoing interbank payments after 5 p.m.; New York time and intraday overdrafts by banks, as well as the share of repo transactions above IORB.

□ The US central bank is exploring adjustments to its liquidity framework, including requirements that would aim to protect uninsured depositors. The potential rule would seek to guard those deposits without having the government directly guarantees them, according to the Federal Reserve's chief banking watchdog. It would also look to make the Fed's principal emergency lending facility, the discount window, more palatable to banks. Regulators are exploring a requirement that larger banks maintain a minimum amount of readily available liquidity with a "pool of reserves and pre-positioned collateral" at the discount window, based on a fraction of their uninsured deposits, Michael Barr, the Fed's vice chair for supervision, said in remarks at the New York Fed's 10th annual US Treasury Market Conference on Thursday. "It is vital that uninsured depositors have confidence that their funds will be readily available for withdrawal, if needed, and this confidence would be enhanced by a requirement that larger banks have readily available liquidity to meet requests for withdrawal of these deposits," Barr said. "This requirement would be a complement to existing liquidity regulations," referring to the Fed's internal liquidity stress tests and liquidity coverage ratio requirements that banks already face. Barr said community banks wouldn't be covered, and regulators would take a "tiered approach" to the requirements, with collateral pre-positioned at the window including both Treasuries and the "full range of assets eligible for pledging at the discount window."

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 slightly higher for the day, as gold prices headed for a third weekly gain after setting successive record highs on optimism the Federal Reserve will maintain an aggressive pace of interest-rate cuts this year.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	2625	2650	2680	2700	2720	2750
Silver – COMEX	December	31.50	31.80	32.00	32.20	32.50	32.70
Gold – MCX	October	74700	75000	75200	75500	75700	76000
Silver – MCX	December	91000	91700	92200	92750	93300	93850

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
100.56	-0.35	-0.35

Bond Yield

10 YR Bonds	LTP	Change
United States	3.7963	0.0114
Europe	2.1810	0.0070
Japan	0.8320	0.0170
India	6.7170	-0.0170

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4376	-0.0365
South Korea Won	1317.35	-18.1500
Russia Rubble	92.6236	0.5097
Chinese Yuan	7.0111	-0.0227
Vietnam Dong	24622	29.0000
Mexican Peso	19.6341	-0.0079

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.75	0.0100
USDINR	83.7675	0.0275
JPYINR	58.12	-0.0850
GBPINR	112	0.1850
EURINR	93.405	-0.2450
USDJPY	143.72	-0.0600
GBPUSD	1.3366	-0.0002
EURUSD	1.1165	-0.0011

Market Summary and News

□ Indian bonds edge higher, with traders expecting the government to stick to its borrowing plan for the rest of the fiscal year in an announcement due Thursday; 10-year yields fell by 2bps to 6.72%; this is the lowest level since Feb. 2022. "I don't see any change in borrowing numbers of residual 6.61 trillion rupees for October to March," says Gopal Tripathi, head of treasury and capital markets at Jana Small Finance Bank. "Due to demand from insurance and pension funds, we may have more supply in longer tenor which may benefit yields up to 10-year." "The 10-year yield may gradually move closer to 6.50% as global and local rate environment is favorable." The Indian government will likely stick to its full-fiscal year borrowing target of 14.01t rupees (\$168b) when they announce the borrowing plan through to March 2025, people familiar with the matter said. "Market participants have signaled demand for papers across the curve, with focus also on the short-end, after T-bill issuances were reduced," Radhika Rao, senior economist at DBS Bank writes in a note. "While October's MPC meet might result in a pause on rates, we expect the accompanying language to accommodate a pivot later in the year."

□ The dollar declined against all of its peers in the Group of 10 as risk appetite improved following news of massive capital injections into China's largest banks by the government and data on solid US economic expansion. The Australian dollar and New Zealand dollar were top gainers. The Bloomberg Dollar Spot Index fell 0.4%. The US economy bounced back from the pandemic in stronger shape than previously estimated, spurred mainly by bigger consumer-driven growth, according to revised government data. Federal Reserve Chair Jerome Powell didn't mention economic outlook or monetary policy rates in his opening remarks at the 10th Annual US Treasury Market Conference. AUD/USD gains 1% to 0.6893. China is considering injecting up to 1 trillion yuan (\$142 billion) of capital into its biggest state banks to increase their capacity to support the struggling economy. NZD/USD rose 1% to 0.6328. GBP/USD advanced 0.7% to 1.3413; EUR/USD gained 0.4% to 1.1179. USD/JPY steady at 144.66 after touching 145.21 intraday. Japan's ruling party gets set to vote Friday on who will likely become the nation's next prime minister, traders are weighing potential impact. Sanae Takaichi who, if elected, could become Japan's first female prime minister, wants to keep interest rates low. "Despite current political uncertainties affecting market expectations, fundamental economic indicators still justify further rate hikes by the BOJ, suggesting that the upside for USD/JPY is limited," wrote Yusuke Miyairi, a currency strategist at Nomura International Plc. "If all the currently priced in expectations for BOJ rate hikes over the next three years disappear if Takaichi wins, USD/JPY could rise by a maximum 5-6 yen," he said.

□ Emerging-market stocks climbed the most since November in a sixth day of gains as China stimulus measures continue to spark risk appetite. MSCI gauge for developing world stocks rose as much as 2.6%, and ended the day 2.3% higher. Tencent Holdings, Alibaba, PDD Holdings were the biggest contributors to the rally. The gauge has risen 5.2% this week, its biggest weekly jump in almost two years. China's top leaders ramped up efforts to revive growth, pledging to support fiscal spending and stabilize the beleaguered property sector. The government plans to issue bonds worth about 2 trillion yuan (\$284.4 billion) to finance a boost to consumer spending and help local governments tackle debt problems, Reuters reported. A gauge for currencies closed higher; Chilean peso, South Korean won and Colombian peso were among the best performers. Chile's peso rallied as copper gained on the back of optimism over China's economic recovery. Brazil's real climbed as the nation's central bank raised its 2024 growth forecast, seeing the economy expanding in line with the most optimistic estimates. Israeli assets advanced after reports on a potential truce on the country's border with Lebanon. The Tel Aviv Stock Exchange 35 Index rose for a fifth day, its longest streak since May, briefly touching an all-time high. The shekel gained as much as 1.6%, one of the world's biggest advances against the US dollar. The nation's dollar bonds were among the best performers in emerging markets.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	83.5225	83.5775	83.6255	83.6875	83.7350	83.7775

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	75344
High	75723
Low	75152
Close	75387
Value Change	74
% Change	0.1
Spread Near-Next	866
Volume (Lots)	7813
Open Interest	4128
Change in OI (%)	-55.35%

Gold - Outlook for the Day

SELL GOLD OCT (MCX) AT 75500 SL 75750 TARGET 75200/75000

Silver Market Update



Market View	
Open	92042
High	94138
Low	91947
Close	92664
Value Change	619
% Change	0.67
Spread Near-Next	2437
Volume (Lots)	31395
Open Interest	25520
Change in OI (%)	-1.26%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 91700 SL 91000 TARGET 93000/93700

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	83.7500
High	83.8400
Low	83.7500
Close	83.7675
Value Change	0.0275
% Change	0.0328
Spread Near-Next	-0.4405
Volume (Lots)	556842
Open Interest	1017176
Change in OI (%)	35.01%

USDINR - Outlook for the Day

The USDINR future witnessed a gap-down opening at 83.75, which was followed by a session that showed consolidating with negative buyer with candle closures below previous close. A small doji candle has been formed by the USDINR where price has resistance of 10-days moving average placed at 83.86. On the daily chart, the momentum indicator RSI trailing between 32-39 levels shows some positive indication while MACD has made a negative crossover above the zero-line. 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 OCT	83.6225	83.6755	83.7150	83.8225	83.8625	83.9075

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