



# India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 10<sup>th</sup> January 2022

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	47566	47583
Gold	995	47375	47392
Gold	916	43571	43586
Gold	750	35675	35687
Gold	585	27826	27836
Silver	999	59801	59991

\* Rates are exclusive of GST as of 07<sup>th</sup> December 2021  
Gold in Rs/10 Gm & Silver in Rs/Kg

### COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Feb	1797.40	-35.90	-1.97
Silver(\$/oz)	Mar	22.41	-0.98	-4.23

### ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	977.08	-1.74
iShares Silver	16,503.90	0.00

### Weekly CFTC Positions

	Long	Short	Net
Gold	1,40,082	45,140	94,942
Silver	51,753	29,844	21,909

### MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	13881.74	10.98	0.08%

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
10 <sup>th</sup> January 08.30PM	United States	Final Wholesale Inventories m/m	1.2%	1.2%	LOW

### Gold and Silver 999 Watch

Date	Gold*	Silver*
07 <sup>th</sup> January 2022	47583	59991
06 <sup>th</sup> January 2022	47832	60435
05 <sup>th</sup> January 2022	48150	61896
04 <sup>th</sup> January 2022	47967	61496

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

### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	27th January 2022	1796.2
Gold Quanto	24th February 2022	47472
Silver (\$/oz)	27th January 2022	22.41

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1792.20
Gold London PM Fix(\$/oz)	1792.60
Silver London Fix(\$/oz)	22.24

### Gold Ratio

Gold Silver Ratio	80.21
Gold Crude Ratio	22.78



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### Nirmal Bang Securities - Daily Bullion News and Summary

- Gold rose, helped by a declining dollar and a report showing U.S. job gains that were far lower than economists expected. The 199,000 increase in nonfarm payrolls last month was less than half the median estimate, a government report showed Friday. A gauge of the dollar fell as much as 0.5%, boosting the appeal of gold as an alternative asset. The disappointing hiring figures helped shore up demand for bullion as a haven. At the same time, wage gains and a drop in the jobless rate fanned inflation concerns, adding to bets that the Federal Reserve may raise rates as early as March. That tempered gains in bullion, which doesn't offer interest. Gold is still heading for its biggest weekly loss since November. Bullion dropped sharply on Thursday, a day after minutes from the Fed's latest meeting indicated it was prepared to raise rates earlier and faster than expected.
- Sri Lanka's central bank reduced gold holdings in December to boost liquidity of its foreign exchange reserves that were at a 12-year low in November. Gold holdings dropped to \$175.4 million as of end December, from \$382.2 million a month earlier, according to data from the Central Bank of Sri Lanka on Friday. Foreign exchange reserves rose to \$3.14 billion at the end of 2021, from \$1.59 billion at the end of November. The sale of gold "is to improve liquidity of the portfolio. When reserves reduce, we reduce the gold holding," central bank Governor Ajith Nivard Cabraal said by phone on Saturday. "We bought gold when foreign reserves were going up. Once the reserve levels increase over \$5 billion, the central bank will consider increasing the gold holdings."
- The Irish central bank added 78 million euros (\$88 million) to its gold reserves in November, data published this week showed. The purchases mean the institution has increased its holdings of the precious metal by more than three tons in three months, a 60% increase from the level maintained for over a decade. Ireland's annual inflation rate was 5.3% in November, with the country's Economic and Social Research Institute warning that price rises may be higher than previously forecast in 2022. When contacted the Central Bank of Ireland refused to give any reason for its renewed interest in gold, saying "the central bank's transactions in gold are commercially sensitive and it cannot disclose details of its asset management strategy beyond the information set out in the Annual Report." Karl Whelan, a professor of economics at University College Dublin and a former economist at both the Irish central bank and the Federal Reserve said "it's unclear what the bank's motivation for this is -- perhaps it is related to gold being perceived as a useful hedge against inflation but there is little historical evidence for that."
- Central bankers need to speak up about economic barriers prompted by racism and the need for inclusion and diversity, Federal Reserve Bank of Atlanta President Raphael Bostic said, a response to critics who see the work as a distraction from the Fed's main goals. "I hear this a lot in terms of the work we are doing at the Atlanta Fed that you are talking about these issues that the Fed can't solve," Bostic said as part of a virtual panel discussion hosted by the American Economic Association. "That's true -- the Fed can't solve them. But if we don't talk about them, then these constraints on the successful execution of our economy and its growth and its innovation won't happen." Republicans in Congress led by Pennsylvania Senator Pat Toomey, the party's top official on the Banking Committee, have been sharply critical of what he calls "mission creep" at the Fed on issues like climate and racial justice. They have called on the Fed and its regional presidents to stick to a "narrow statutory mission" focused on maximum employment and stable prices.
- Inflation in the euro region accelerated beyond already record levels, defying expectations for a slowdown and complicating the task for European Central Bank officials who insist the current spike is temporary. The euro strengthened. Consumer prices jumped 5% from a year earlier in December -- faster than the previous month's 4.9% gain and more than the 4.8% median estimate in a Bloomberg survey of economists. A measure that strips out volatile components such as food and energy came in at 2.6%, matching November's reading. Economic confidence in the euro area, meanwhile, slipped by more than analysts forecast amid the emergence of the coronavirus highly contagious omicron variant. Friday's inflation data increases the pressure on the ECB after supply-chain disruptions and soaring energy costs drove price growth to its fastest since the common currency was created. While the Frankfurt-based institution has mapped out a retreat from crisis-era stimulus measures, more aggressive monetary-policy tightening by other major central banks has prompted some officials to urge a tougher stance.

**Fundamental Outlook:** Gold and silver prices are trading lower today on international bourses. We expect precious metals prices on Indian bourses to trade lower to slightly higher for the day. We recommend buying on dips in intra-day trading sessions in precious metals after the U.S. Jobs reports showing less hiring than the expectations of the economists, which in-turn may concern rising inflation which will aid in rising interest rates early in March.

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	February	1715	1730	1750	1800	1825	1840
Silver – COMEX	March	21.40	21.60	21.90	22.40	22.65	22.80
Gold – MCX	February	47000	47200	47400	47600	47850	48050
Silver - MCX	March	59300	60000	60400	60850	61500	62100



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### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
95.72	0.15	0.15

#### Bond Yield

10 YR Bonds	LTP	Change
United States	1.7620	0.0409
Europe	-0.0450	0.0180
Japan	0.1400	0.0160
India	6.5400	0.0150

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6342	-0.0514
South Korea Won	1201.55	1.0000
Russia Ruble	75.7545	-0.5636
Chinese Yuan	6.3778	-0.0052
Vietnam Dong	22706	-45
Mexican Peso	20.4005	-0.104

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	74.52	-0.15
USDINR	74.485	-0.135
JPYINR	64.37	-0.1125
GBPINR	100.89	-0.0475
EURINR	84.2725	-0.1975
USDJPY	115.68	-0.05
GBPUSD	1.354	0.0014
EURUSD	1.1315	-0.0003

#### Market Summary and News

- U.S. inflation probably hit the fastest in four decades, helping explain a shift in the Federal Reserve's approach to monetary policy as well as more consumer anxiety about the economy. The widely followed consumer price index on Wednesday is forecast to rise 7.0% for the year through December and climb 0.4% from a month earlier. The following day, another Labor Department report is projected to show prices paid to producers surged nearly 10% in 2021. Reports on December retail sales and industrial production arrive Friday. The inflation surge underscores why U.S. officials are preparing for a quick normalization of monetary policy than previously anticipated. Adding to the case is evidence of a tight labor market, including a jump in wages and falling unemployment in data on Friday. Fed watchers may get more clarity in the coming week on whether the interest-rate liftoff may come as soon as March, and when the central bank will begin shrinking its \$8.8 trillion balance sheet. Chair Jerome Powell testifies Tuesday before the Senate Banking Committee on his nomination to a second four-year term. Two days later, Fed Governor Lael Brainard appears before the same panel at a confirmation hearing on her elevation to vice chair. Other Fed officials set to speak include Loretta Mester, Esther George, Charles Evans and James Bullard. With the unemployment rate dropping below the median FOMC participant's estimate of the long-run neutral rate and wages growing briskly, this jobs report likely will alleviate any lingering doubts on the part of more-dovish FOMC members.
- India's inflation likely surged back close to the central bank's target ceiling in December. One driver is technical a lower base from a drop in food prices a year earlier. Another, though, is a sign of strengthening underlying inflationary pressures companies passing higher costs on to consumers. Lower domestic fuel prices relative to November likely helped limit the rise in inflation. The estimation is that the inflation rose to 5.7% year on year from 4.9% in November, near the high end of the Reserve Bank of India's 2-6% target band. Food inflation likely climbed to 4.4% from 2.6% in November due to the lower base of comparison. Core inflation, including transportation fuels climbing to 6.5% from 6.2% in November. This is based on signs of broadening consumer price pressures taking in considerations telecom firms raised tariffs by 20-25% at the start of December, and fast-moving consumer goods companies have been passing higher costs to consumers in recent months. Looking beyond the December data, we expect headline inflation to rise further on the low base in food prices and widespread upward pressures on consumer prices. Double-digit agriculture input cost inflation and wholesale price inflation, and rising truck freight inflation, despite fuel-tax cuts which suggest inflationary pressures are becoming more persistent.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	73.7000	73.8300	74.0300	74.3500	74.4800	74.6000



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### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

Open	47370
High	47586
Low	47300
Close	47452
Value Change	1
% Change	0
Spread Near-Next	130
Volume (Lots)	4512
Open Interest	7974
Change in OI (%)	-0.87%

#### Gold - Outlook for the Day

Gold prices recovered from the sell off on Thursday. We can see support around 1770-60; we can buy the yellow metal around \$ 1780 for the target of 1810.

**BUY GOLD FEB (MCX) AT 47370 SL 47200 TARGET 473600/47700**

#### Silver Market Update



#### Market View

Open	60351
High	60725
Low	60012
Close	60607
Value Change	181
% Change	0.3
Spread Near-Next	662
Volume (Lots)	15552
Open Interest	17267
Change in OI (%)	-2.09%

#### Silver - Outlook for the Day

Silver has faced a sharp fall yesterday it seems that the prices is likely to take support around 21.70-80. It seems that we can buy around 21.70-80 for target 22.40-55.

**BUY SILVER MARCH (MCX) AT 60400 SL 59800 TARGET 61100/61500**





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## Nirmal Bang Securities - Currency Technical Market Update

### USDINR Market Update



#### Market View

Open	74.585
High	74.585
Low	74.4075
Close	74.485
Value Change	-0.135
% Change	-0.18
Spread Near-Next	0
Volume	2204101
Open Interest	2279277
Change in OI (%)	5.09%

### USDINR - Outlook for the Day

USDINR witnessed a weak open at 74.58 with session in red marking the low at 74.40 with closure near the same at 74.48. On the daily chart, the pair has formed a small red candle with closure in lower lows. The pair is still trading in a wide range within the levels of 74.88 - 74.30 and unless it breaks off the range, USDINR will be giving momentum within the range. The pair has given closure below short term, medium moving average and long term SMA's indicating weakness. USDINR if breaches the support of 74.40 will go on to test the lows of 74.25 - 74.10 and one can go short for the same. However, an open above 74.54 could test the highs of 74.65 - 74.71 - 74.80. The daily strength indicator RSI and momentum oscillator Stochastic both are below their respective reference number indicating weakness.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR December	74.0000	74.1800	74.3500	74.6000	74.7400	74.8800



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