



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 11th October 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	46941	46980
Gold	995	46753	46792
Gold	916	42998	43034
Gold	750	35206	35235
Gold	585	27460	27483
Silver	999	60932	61080

* Rates are exclusive of GST as of 08th October 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Dec	1757.40	-2.60	-0.15
Silver(\$/oz)	Sep	22.71	0.13	0.56

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	985.05	-1.49
iShares Silver	17,073.42	-31.86

Weekly CFTC Positions

	Long	Short	Net
Gold	1,40,590	72,749	67,841
Silver	47,418	42,788	4,630

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	13918.36	78.58	0.56%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
11 th October 6:00PM	United States	Bank Holiday	-	-	-

Gold and Silver 999 Watch

Date	Gold*	Silver*
08 th October 2021	46980	61080
07 th October 2021	46918	61385
06 th October 2021	46845	60584
05 th October 2021	46682	60905

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

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	26th November 2021	1757.1
Gold Quanto	25th November 2021	47057
Silver (\$/oz)	26th November 2021	22.66

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1757.50
Gold London PM Fix(\$/oz)	1773.25
Silver London Fix(\$/oz)	22.55

Gold Ratio

Gold Silver Ratio	77.40
Gold Crude Ratio	22.15



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold pared gains amid rising Treasury yields despite weak U.S. jobs data that complicated a potential decision by the Federal Reserve to begin scaling back monetary support before year end. The U.S. added fewer jobs than forecast for a second month in September, pointing to weakness in the labor market recovery. Nonfarm payrolls increased 194,000 last month after an upwardly revised 366,000 gain in August, a Labor Department report showed Friday. The dollar slumped in response while Treasury yields advanced following the initial dip, with the yield on the benchmark 10-year note rising to 1.6%. Fed chairman Jerome Powell has said in the past that the central bank needs to see substantial improvement in the labor market before starting to pare back its bond-purchase programs. The possibility of continued stimulus, which was a key pillar in gold's ascent to a record last year, is positive for the precious metal.
- Imports climbed to 93.5 tons from 8.4 tons a year earlier, according to a person with knowledge of provisional finance ministry data, who asked not to be identified as the information isn't public. Finance ministry spokesman Rajesh Malhotra didn't respond to a call seeking comment. India's commerce ministry compiles gold trade data separately, which may differ from the finance ministry. India's Pandemic Recovery Means Golden Days Ahead for Jewellers. Jewellers Sell \$1 Gold Online as Indians Warm Up to Internet Buys. Indian Gold Jewellers' Revenue Seen Rising as Much as 14% in FY22.
- Gold may suffer from an increasingly hostile environment in the coming days that could put the haven on course for a ride back below \$1,700/oz. U.S. jobs data are due that'll likely usher in a Fed tapering program, the dollar has more backbone, and 10-year Treasury yields are firming. Taken together, that's not a great recipe for the precious metal, which has dropped more than 7% so far this year as the crisis of the pandemic and accompanying central bank largesse give way to a roadmap for escaping from Covid-19's clutches and less monetary accommodation. Bullion did well out of the Fed in 2020 as the world's most powerful central bank deployed its monetary muscle to rescue the largest economy. Expectations for the removal of that extraordinary support, followed by actual tapering, change the story. Gold will register a drop this year.
- Bangko Sentral ng Pilipinas' gold purchases this year have already topped last year's total volume, as small-scale miners and traders continued to sell to the monetary authority, Joseph Norbert David, director at the bank's mint and refinery operations, says in a briefing. "BSP adopted an active stance in our trading, we registered gains in trading activities," he says, refusing to give a number for this year's gold buying and trading gains citing disclosure rules. BSP bought 115,801 troy ounces of panned gold in 2020, up 1,034% from the year previous following a law that exempts gold sales to the central bank from income taxes, according to its annual report. The monetary authority is looking at making rates more attractive for sellers, easing documentary requirements and fast-tracking turnaround time for transactions, David says.
- The U.S. labor market will see "ups and downs" as the pandemic lingers but it's premature to judge that the recovery is in peril, said San Francisco Federal Reserve President Mary Daly. "It's too soon to say it's stalling, but certainly we're seeing the pain of Covid, and the pain of the delta variant," Daly told CBS's "Face the Nation" on Sunday. "Covid is not behind us, so I don't expect the job market to just be continuous. It is going to have these ups and downs." U.S. nonfarm payrolls increased 194,000 last month, data on Friday showed, the smallest advance this year and well below expectations. The unemployment rate fell to 4.8%, partly reflecting a decline in the size of the labor force. Daly, one of the U.S. central bank's more dovish policy makers, is a voter this year on the rate-setting Federal Open Market Committee and must decide if underlying labor market improvement is sufficient to warrant beginning to scale back the Fed's emergency pandemic support.

Fundamental Outlook: Gold and silver prices are trading range-bound today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly lower for the day. We continue to maintain our view of sell on rise in intra-day trading session, as investors weighed the implications of weaker-than-expected U.S. jobs data on the timing of the Federal Reserve's decision to begin reining in stimulus. While the disappointing payrolls data on Friday initially caused gold to rise, prices fell back again when the yield on benchmark 10-year Treasuries advanced. However, they will be observing holiday today.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1670	1690	1730	1760	1780	1800
Silver – COMEX	December	21.30	21.50	21.80	22.45	22.65	22.80
Gold – MCX	December	46550	46700	46950	47100	47370	47550
Silver - MCX	December	60300	60900	61500	62100	62700	63400



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
94.07	-0.05	-0.05

Bond Yield

10 YR Bonds	LTP	Change
United States	1.6118	0.0389
Europe	-0.1520	0.0340
Japan	0.0870	0.0160
India	6.3180	0.0500

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5085	-0.0103
South Korea Won	1194.8	4.0000
Russia Ruble	71.8764	0.1752
Chinese Yuan	6.4437	-0.0011
Vietnam Dong	22763	2
Mexican Peso	20.7005	0.0486

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.3	0.19
USDINR	75.1175	0.2475
JPYINR	67.2075	-0.045
GBPINR	102.3325	0.455
EURINR	86.875	0.24
USDJPY	111.75	0.45
GBPUSD	1.3627	0.0021
EURUSD	1.1565	-0.0004

Market Summary and News

- The downside risks to the euro-area recovery have intensified in recent weeks. Inflation is squeezing budgets and industry is threatened by severe disruption to global supply chains. The euro-area inflation is expected to average almost 4% in 4Q. This is a lot stronger than the ECB forecast at the start of the year. In March, the staff economists were projecting annual price gains of only 2% for the end of 2021. Upside surprises have been almost entirely driven by high energy prices and, as input costs have soared globally, non-energy industrial goods. This raises risks for domestic demand. As rapid price gains squeeze firms' profits and household budgets, businesses and consumers may begin to rein in their spending. In addition, bottlenecks in global supply, especially for semiconductors, are holding back manufacturers. That's particularly the case for Germany and France, where large automotive and other transport industries are struggling. In Germany, Europe's largest economy, industrial output in July stood almost 6% below its pre-pandemic level reached in February 2020.
- The core scenario is that the Euro industry is likely to recover very slowly over the next few quarters, making no substantial contribution to growth, before improving more rapidly from mid-2022 as supply constraints ease. However, with the pandemic still raging in parts of the world, China hit by a massive energy crunch and growth slowing globally, risks to the outlook for Europe's industrial sector are clearly tilted to the downside. Rising inflation is causing some concern at the ECB and contributed to the Governing Council's decision to lower slightly its emergency asset purchases in September. Services inflation, which normally provides the best read on homegrown inflation, reached 1.7% in September. However, this reading has been clouded by base effects from a temporary tax cut in Germany, low prices for travel-related services in the summer of last year and changes to the weights used for the HICP basket. At constant weight and compared with 2019, to correct for last year's base effect, price gains in services remains subdued.
- The Reserve Bank of India's decision to hold rates and keep an accommodative stance were expected -- and we see little change on the immediate horizon. The surprise was in the degree of reduction in its bond purchases. There was an expectation regarding the taper, but the RBI suspended its buying under its government securities acquisition program, a hawkish step to guard against any future inflationary impact of the recent surge in banking system liquidity. This also marked a retreat from its previous stance of keeping long-term sovereign bond yields in check. The benchmark 10-year government bond yield rose to 6.3% on this announcement, up 5 basis points from Thursday's close. A further upside could be coming forth, given the RBI's move. With inflation having turned down for now and a durable growth recovery still not assured, doubt is that the decision to suspend QE is a pre-cursor to an imminent rate hike and probably will keep policy rates low for longer to revive growth on a more durable basis.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	73.7500	73.9500	74.1000	74.3200	74.4500	74.5700



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	46861
High	47370
Low	46854
Close	47037
Value Change	210
% Change	0.45
Spread Near-Next	174
Volume (Lots)	8313
Open Interest	13683
Change in OI (%)	0.86%

Gold - Outlook for the Day

Gold prices trading positive We believe that the metals are trading supportive around 1710-20 zone so recommending to go long for a target of 1750-60. We believe that the commodity can see support at lower levels and bounce back. Try to buy on dips between 1720-10.

BUY GOLD DEC (MCX) AT 46950 SL 46700 TARGET 47300/47400

Silver Market Update



Market View

Open	60991
High	62708
Low	60910
Close	61801
Value Change	543
% Change	0.89
Spread Near-Next	469
Volume (Lots)	19256
Open Interest	10146
Change in OI (%)	-6.43%

Silver - Outlook for the Day

Silver prices too trading sharply downward, but the immediate support is round the corner. We are recommending going long around 21.70-80 Target 22.50-70.

BUY SILVER DEC (MCX) AT 61500 SL 60900 TARGET 62300/62700



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	75
High	75.295
Low	74.9625
Close	75.1175
Value Change	0.2475
% Change	0.33
Spread Near-Next	-0.9843
Volume	3128870
Open Interest	1947757
Change in OI (%)	7.98%

USDINR - Outlook for the Day

USDINR witness a positive open at 75 followed by a session in green marking the high at 75.29 followed by a closure in green as well at 75.11. On the daily chart, the pair has formed a small green candle which did give closure in higher highs and lows but is accompanied by an upper shadow indicating a resistance at higher levels. The pair has managed to give closure below the long-term moving average while maintaining support at the medium and small term moving averages. USDINR if breaches the support of 75 will go on to test the lows of 74.88 – 74.70 and one can go short for the same. However, an open above 75.32 could test the highs of 75.50-75.60. The daily strength indicator RSI and momentum oscillator Stochastic both have moved above their respective reference line indicating positive bias in the pair.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR October	74.6000	74.8800	75.0000	75.2800	75.4000	75.5500



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