



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 12th October 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	46966	47102
Gold	995	46778	46913
Gold	916	43021	43145
Gold	750	35225	35327
Gold	585	27475	27555
Silver	999	61375	61490

* Rates are exclusive of GST as of 11th October 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Dec	1755.70	-1.70	-0.10
Silver(\$/oz)	Sep	22.67	-0.04	-0.18

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	985.05	0.00
iShares Silver	16,987.04	-86.38

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
12 th October 3:30PM	United States	NFIB Small Business Index	99.7	100.1	Low
12 th October 7:30PM	United States	JOLTS Job Openings	10.95M	10.93M	Medium
12 th October 8:45PM	United States	FOMC Member Clarida Speaks	-	-	Medium
12 th October 10:00PM	United States	FOMC Member Bostic Speaks	-	-	Low

Gold and Silver 999 Watch

Date	Gold*	Silver*
11 th October 2021	47102	61490
08 th October 2021	46980	61080
07 th October 2021	46918	61385
06 th October 2021	46845	60584

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

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	26th November 2021	1755.1
Gold Quanto	25th November 2021	47071
Silver (\$/oz)	26th November 2021	22.61

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1752.55
Gold London PM Fix(\$/oz)	1757.65
Silver London Fix(\$/oz)	22.52

Gold Ratio

Gold Silver Ratio	77.46
Gold Crude Ratio	21.80



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold edged lower as trading remained muted during the U.S. Columbus Day holiday. Investors are waiting on the release of the consumer-price index and Federal Reserve minutes on Wednesday for clues on the direction of monetary policy. While the disappointing payrolls data on Friday initially caused gold to rise, prices fell back again when the yield on benchmark 10-year bonds advanced. There's no cash Treasuries trading Monday due to a U.S. holiday. Friday's Labor Department report showed nonfarm payrolls rose the least this year, missing all but one estimate by surveyed economists. San Francisco Federal Reserve President Mary Daly later said the labor market will have "ups and downs". Gold has struggled this year on expectations the Fed will eventually rein in its stimulus, causing investors to shun the precious metal. Exchange-traded funds continued to pare their holdings last week, while hedge funds trading Comex boosted their exposure for the first week in three. The next focus for gold is the release of the U.S. consumer price index for September on Wednesday, the latest gauge of inflation pressures in the world's largest economy.
- Exchange-traded funds cut 86,759 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 8.3 million ounces, according to data compiled by Bloomberg. This was the eighth straight day of declines, the longest losing streak since Aug. 26. The sales were equivalent to \$152.4 million at the previous spot price. Total gold held by ETFs fell 7.8 percent this year to 98.8 million ounces, the lowest level since May 15, 2020. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 47,980 ounces in the last session. ETFs added 168,525 troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 23.9 million ounces.
- The surge above 1.6% for 10-year Treasury yields is intensifying debate among strategists over how to position portfolios should stagflation take hold. While JPMorgan Asset Management is arguing stagflation fears are overdone, others are concerned that higher energy prices and supply-chain issues will lift the consumer price index and hurt the recovery. A Deutsche Bank AG survey of market professionals showed that the biggest perceived risk to markets is now higher yields and inflation, while direct Covid-19 risks are out of the top for the first time. There's "a fairly strong consensus" that some kind of stagflation is more likely than not, according to the survey results published Monday. China coal futures surged to a record on Monday, while West Texas Intermediate crude sustained gains past \$80 a barrel to hit the highest since 2014. U.S. inflation data due Wednesday are expected to show price pressures remained elevated last month, while minutes from the September meeting of the FOMC arrive later the same day.

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 concerns over inflation, fuelled by a surge in energy and metal prices that threatens to derail the economic recovery. Focus will turn to the U.S. on Wednesday, where consumer price index data are expected to show price pressures remained elevated last month.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1670	1690	1730	1765	1780	1800
Silver – COMEX	December	21.45	21.80	22.20	22.80	23.15	23.54
Gold – MCX	December	46550	46700	46970	47190	47370	47500
Silver - MCX	December	60300	60900	61500	62200	62850	63400



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
94.32	0.25	0.26

Bond Yield

10 YR Bonds	LTP	Change
United States	1.6118	0.0000
Europe	-0.1220	0.0300
Japan	0.0910	0.0040
India	6.3450	0.0270

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5391	0.0306
South Korea Won	1194.8	4.0000
Russia Ruble	71.8819	0.0055
Chinese Yuan	6.4506	0.0069
Vietnam Dong	22758	-5
Mexican Peso	20.8731	0.1726

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.64	0.02
USDINR	75.4975	0.38
JPYINR	66.8675	-0.34
GBPINR	102.8675	0.535
EURINR	87.3425	0.4675
USDJPY	112.89	1.14
GBPUSD	1.3634	0.0007
EURUSD	1.1573	0.0008

Market Summary and News

- Markets are preparing for the Bank of England to lift borrowing costs by the end of this year after two officials moved to reinforce signals of an imminent increase to curb inflation. Money markets priced in at least 15 basis points of tightening by the BOE's December 2021 meeting on Monday, according to sterling overnight index swaps, which would take the key rate to 0.25%. The market was previously betting the first increase would be in February. Michael Saunders, one of the most hawkish members of the Monetary Policy Committee, suggested in remarks published Saturday that investors were right to bring forward bets on rate hikes. Hours earlier, Governor Andrew Bailey warned of a potentially very damaging period of inflation unless policy makers take action. The repricing reflects mounting concern over the lasting impact of the latest surge in prices, with consumers facing higher costs for energy and goods, due in part to shortages that resulted from the nation's departure from the European Union. A market-based measure of inflation 10 years from now rose to more than 4% last week, double the BOE's target.
- India's rupee tumbled to its lowest level in almost fifteen months as surging oil prices threaten to weigh on finances of the net oil-importing nation. Bonds declined for a second day. USD/INR rose 0.5% on Monday to close at 75.3587, the highest since July 2020. The surge in crude oil is the main factor, and rising U.S. Treasury yields have also been influencing the rupee. Oil companies have been continuously buying dollars to import oil, in order to ensure there is no fuel shortage during the upcoming festival season. It's a sustained up-move without any near-term reversals. Risk of a correction in stocks could also hit the rupee going forward. The market is continuing to react to RBI ending its GSAP bond-buying. The steepening trend in the yield curve is likely to continue till the end of the year, everything is suggesting yields will go up. Expectation is that the RBI to pursue faster normalization through a back-loaded hiking cycle, once it is sure the economic recovery will be sustained. This should keep the RBI on track to raise the reverse repo rate from the December MPC meeting. India's government is considering raising more than 300b rupees through bonds to repay the debt of Air India.
- The number to watch for on September's U.S. payrolls report was 200,000, a low level that would prompt market to question the health of the economy and boost Treasuries. And while that exact risk materialized, the yield on U.S. 10-year notes rose above 1.60% for the first time since early June and the dollar hit fresh cycle highs versus the yen. If that doesn't show a clear market narrative, I don't know what does. The market was long the dollar into the release, especially in the short-term. The release was really close to that 200k number; revisions were very strong; unemployment came below 5%; look at those average hourly earnings. The week may be kicking off rather slowly given no cash Treasuries trading due to a U.S. holiday, yet it will soon get busier as there's lots to watch out for in the days to come. A plethora of Fed speakers, U.S. inflation data, U.K. GDP and employment figures, Germany's ZEW survey would be something to be on a lookout for.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.8500	75.0500	75.2000	75.5200	75.6500	75.7800



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	46950
High	47188
Low	46864
Close	47051
Value Change	14
% Change	0.03
Spread Near-Next	168
Volume (Lots)	5239
Open Interest	13273
Change in OI (%)	-3.09%

Gold - Outlook for the Day

Gold prices trading rangebound We believe that the metals are trading supportive around 1700-1680 zone so recommending going long for a target of 1770-80 We believe that the commodity can see support at lower levels and bounce back. Try to buy on dips between 1720-30.

BUY GOLD DEC (MCX) AT 46970 SL 46700 TARGET 47300/47400

Silver Market Update



Market View

Open	61500
High	62215
Low	61395
Close	61744
Value Change	-57
% Change	-0.09
Spread Near-Next	488
Volume (Lots)	10288
Open Interest	10429
Change in OI (%)	2.71%

Silver - Outlook for the Day

Silver prices too trading range bound. The immediate support is around the 22.24 so we are recommending going long around 22.25-25 Target 22.80-23.

BUY SILVER DEC (MCX) AT 61500 SL 60900 TARGET 62500/62850



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	75.15
High	75.5225
Low	75.15
Close	75.4975
Value Change	0.38
% Change	0.51
Spread Near-Next	-1.3643
Volume	2339036
Open Interest	1968672
Change in OI (%)	1.06%

USDINR - Outlook for the Day

USDINR witness a positive open at 75.15 followed by a strong session in green marking the high at 75.52 followed by a closure in green as well at 75.49. On the daily chart, the pair has formed a long green candle which gave closure in higher highs and lows indicating positive bias. The pair has managed to given closure above all the moving averages on the daily chart indicating bullish sentiment in the pair. USDINR if breaches the support of 75.44 will go on to test the lows of 75.28 – 75.10 and one can go short for the same. However, an open above 75.55 could test the highs of 75.65-75.79. 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	74.9000	75.1000	75.2800	75.6000	75.7200	75.8000



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