



Daily Bullion Physical Market Report

Date: 15th September 2023

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	58650	58697
Gold	995	58415	58462
Gold	916	53723	53767
Gold	750	43988	44023
Gold	585	34310	34338
Silver	999	70096	70306

Rate as exclusive of GST as of 14th September 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
14 th September 2023	58697	70306
13 th September 2023	58791	70925
12 th September 2023	58865	70900
11 th September 2023	59199	71343

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	Dec 23	1932.80	0.30	0.02
Silver(\$/oz)	Dec 23	22.99	-0.19	-0.81

ETF Holdings as on Previous Close

ETFs	Long	Short
SPDR Gold	882.00	-2.89
iShares Silver	13,708.43	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1906.45
Gold London PM Fix(\$/oz)	1901.75
Silver London Fix(\$/oz)	22.64

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	OCT. 23	1912.2
Gold Quanto	OCT. 23	58608
Silver(\$/oz)	DEC. 23	22.88

Gold Ratio

Description	LTP
Gold Silver Ratio	84.06
Gold Crude Ratio	21.44

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	134439	68099	66340
Silver	38669	24691	13978

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	15589.45	-24.96	-0.16 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
15 th September 03:15 PM	Europe	ECB President Lagarde Speaks	-	-	High
15 th September 06:00 PM	United States	Empire State Manufacturing Index	0.2%	0.3%	High
15 th September 06:45 PM	United States	Industrial Production m/m	0.4%	1.0%	High
15 th September 06:45 PM	United States	Capacity Utilization Rate	0.4%	0.3%	High
15 th September 07:30 PM	United States	Prelim UoM Consumer Sentiment	0.2%	0.7%	High



Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold edged lower, falling for a third straight day after US producer prices rose more than expected, a sign of the inflationary pressures persisting in the world's largest economy. The producer price index for final demand rose 0.7% in August from the month before, more than the median economist forecast, while retail sales grew much more than expected. The dollar rose following the print, putting pressure on gold which slid as much as 0.4%. The move follows the release of the hotter-than-expected consumer price index on Wednesday. All of the recent data is likely to raise expectations the Federal Reserve will tighten policy again this year. Gold has slid toward \$1,900 an ounce in September; under pressure from a relentless surge in the dollar on bets Fed policy will be tighter than its Asian counterparts. Higher interest rates are typically negative for non-yielding assets like gold. In China, gold is trading at a record premium to international prices; a sign of how demand for the metal there is overwhelming constrained imports. Shipments of bullion into the country have been squeezed by the authorities to take pressure off the yuan.

❖ Gold in China is trading at a record premium to international prices; a sign of Beijing's escalating battle to defend its currency. Bullion on the Shanghai Gold Exchange traded at a premium of more than \$120 an ounce on Thursday, according to calculations by Bloomberg. That's the highest since the exchange was founded over two decades ago, as a weak yuan drove up prices in recent weeks. Traders have sold the yuan this year as disappointing economic data and real estate turmoil spurred the central bank to cut interest rates. As monetary policy diverges with the rest of the world, sending the currency toward record lows offshore, the central bank has intervened to stem the slide. That includes limiting gold shipments into the local market by squeezing import quotas. Investors have been buying domestic gold and selling international ones in an arbitrage trade, since speculations on gold import restrictions started in June, said Liu Yuxuan, an analyst with Guotai Junan Futures, from Shanghai. China is the world's biggest market for bullion, with rich and poor citizens alike buying gold as a savings tool. Demand for gold in the country has remained largely subdued this year, until recently when the weaker yuan and economy started to boost purchases. "The jump in premium is also due to relatively strong buying for gold in China, amid weak macro economic sentiment," said Liu.

❖ The Bolivian central bank converted 17 metric tons of its gold reserves into \$1b to pay its foreign debt from May to August this year, according to a report published by the opposition senator Henry Montero. The law to monetize gold came into effect on May 5 after months of debate in Congress. By August 31, the central bank reported 26 tons in gold reserves, equal to \$1.6b, 41% less than in April.

❖ Exchange-traded funds cut 123,648 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 4.7 million ounces, according to data compiled by Bloomberg. This was the ninth straight day of declines, the longest losing streak since Aug. 9. The sales were equivalent to \$235.9 million at yesterday's spot price. Total gold held by ETFs fell 5 percent this year to 89.1 million ounces, the lowest level since March 26, 2020. Gold advanced 4.6 percent this year to \$1,908.12 an ounce and fell by 0.3 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 92,780 ounces in the last session. The fund's total of 28.4 million ounces has a market value of \$54.1 billion. ETFs added 1.03 million troy ounces of silver to their holdings in the last trading session, bringing this year's net sales to 36 million ounces. This was the third straight day of growth, the longest winning streak since Aug. 11.

❖ The European Central Bank raised interest rates for the 10th consecutive time as President Christine Lagarde signaled a shift in gear that could mean the peak has been reached. While economists and investors now see the 4% level set on Thursday as the high point for borrowing costs in the current tightening cycle, the ECB chief insisted that she can't yet say if that's the case. "With today's decision, we have made sufficient contributions, under the current assessment, to returning inflation to target in a timely manner," Lagarde told reporters in Frankfurt. "The focus is probably going to move a bit more to the duration, but it is not to say — because we can't say — that now that we are at peak." President Christine Lagarde says the ECB is "determined to ensure that inflation returns to our 2% medium-term target in a timely manner," as she discusses the central bank's latest interest rate decision. The euro fell as much as 0.7% to \$1.0656 — the weakest since May — and bonds rallied as traders now see around a 20% chance of another hike, reflecting growing concern over the region's growth outlook. Italian debt, among the most sensitive to changes in interest rates, led the advance. The yield on 10-year bonds dropped 12 basis points to 4.32%, set for the biggest decline in three weeks. A "solid majority" of policymakers supported the outcome, according to the president, who acknowledged that some colleagues would have preferred a pause instead. Before the meeting, officials acknowledged that the decision was the most finely balanced since the ECB began tightening in July 2022. The Governing Council repeated language that it will keep borrowing costs at "sufficiently restrictive levels for as long as necessary." That could keep the door open to further hikes should inflation prove stickier than thought.

Fundamental Outlook: as gold prices are headed for a second straight weekly decline as persistent inflationary pressures in the US increased the likelihood that the Federal Reserve will keep tightening monetary policy.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	Dec	1900	1915	1930	1946	1960	1978
Silver – COMEX	Dec	22.60	22.82	23.00	23.20	23.37	23.55
Gold – MCX	Oct	58000	58250	58500	58700	58850	59000
Silver – MCX	Dec	70000	70600	71200	71700	72200	72850



Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
105.41	0.64	0.61

Bond Yield

10 YR Bonds	LTP	Change
United States	4.2863	0.0378
Europe	2.5910	-0.0580
Japan	0.7160	0.0030
India	7.1300	-0.0660

Emerging Market Currency

Currency	LTP	Change
Brazil Real	4.8707	-0.0456
South Korea Won	1325.9	-4.1000
Russia Rubble	96.3813	0.1831
Chinese Yuan	7.2789	0.0072
Vietnam Dong	24195	48
Mexican Peso	17.1102	-0.0423

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.2	-0.06
USDINR	83.055	0.035
JPYINR	56.5225	0.0225
GBPINR	103.6	0.03
EURINR	89.2125	0.025
USDJPY	146.87	-0.03
GBPUSD	1.2474	-1E-04
EURUSD	1.074	-0.0009

Market Summary and News

❖ Appetite for emerging-market assets wavered after the European Central Bank raised interest rates and as US data strengthened the case for the Federal Reserve to keep borrowing costs higher for longer. A gauge of developing-world currencies ended lower Thursday after a volatile session, while an index of stocks rebounded, extending a rally sparked by more stimulus out of China during the Asian trading day. Latin American equities were headed for a fourth consecutive day of gains, the best winning streak since July. Brazil's real was the best performer among the seven currencies that gained out of 23 developing-nation tenders tracked by Bloomberg amid stronger iron ore prices. The South Korea won, Taiwanese dollar and Indonesian rupiah caught a tailwind from China's decision to cut the amount of cash banks must keep in reserve for the second time this year, though the offshore yuan reversed gains to weaken for the session. A broad index of dollar strength gained as US retail sales and producer prices both rose by more than forecast in August, paving the way for the Fed to keep rates higher for longer. Currencies from Poland, Hungary and the Czech Republic underperformed peers as the euro sank after ECB policymakers delivered a 25 basis point rate hike. The decision was followed by President Christine Lagarde's signaling a shift in gear that could mean the peak in interest rates has been reached, but didn't quite confirm it.

❖ The euro sank to five-month lows in the New York session after the European Central Bank hiked interest rates, but also signaled borrowing costs are now sufficiently restrictive to temper inflation and downgraded future growth forecasts. The dollar rallied after whipsawing on the ECB decision and the release of stronger-than-expected US retail sales data. EUR/USD tumbled 0.9% to 1.0632, its weakest mark since March 20; economists and swaps pricing now see the ECB's new 4% rate as the central bank's peak level. Nonetheless, ECB President Christine Lagarde continues to stress data-dependency: "The focus is probably going to move a bit more to the duration, but it is not to say — because we can't say — that now that we are at peak," she said at a press conference in Frankfurt. "For now, the Governing Council still judged the scales as tipping in favor of additional pre-emptive action. But with policy rates deeply in restrictive territory and earlier tightening still feeding through the economy, we believe this should be — and likely will be — the last hike in this cycle," wrote State Street Global Advisors Chief Economist Simona Mocuta. Large expiries in EUR/USD Thursday at 1.0700 (EU950m) and 1.0785-00 (EU3.25b); Bloomberg Dollar Spot Index gains 0.3%, paring this week's decline, after retail sales and producer price index data rose on higher fuel prices. August retail sales grew 0.2% on July versus 0.1% expected (excluding auto and gas, rose 0.6%); August PPI final demand grew 0.7% on July versus 0.4% forecast. Concerns rising on energy prices as PPI gas cost surged 20% and WTI traded above \$90 per barrel. "While consumers continue to face hurdles from higher borrowing costs and elevated prices, a still-strong labor market, positive real disposable incomes and a gradual easing in price pressures appears to be supporting consumption for now," wrote Rubeela Farooqi, chief US economist at High Frequency Economics.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.8075	82.8975	82.9355	83.0575	83.1450	83.2475



Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	58550
High	58620
Low	58354
Close	58588
Value Change	-5
% Change	-0.01
Spread Near-Next	540
Volume (Lots)	3898
Open Interest	10755
Change in OI (%)	-3.06%

Gold - Outlook for the Day

BUY GOLD OCT (MCX) AT 58500 SL 58250 TARGET 58800/58950

Silver Market Update



Market View	
Open	71160
High	71303
Low	70062
Close	70982
Value Change	-437
% Change	-0.61
Spread Near-Next	0
Volume (Lots)	28611
Open Interest	19929
Change in OI (%)	9.55%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 70700 SL 70000 TARGET 71600/72200



Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.015
High	83.0875
Low	82.97
Close	83.055
Value Change	0.035
% Change	0.04
Spread Near-Next	0
Volume (Lots)	1285008
Open Interest	3699313
Change in OI (%)	-3.21%

USDINR - Outlook for the Day

The USDINR future witnessed flat opened at 83.01, was followed by a session, which noticed minimal buying from lower with candle closure near high. A small green candle formed for the USDINR price taken support 20-days moving averages. On the daily chart, the momentum indicator RSI trailing between 55-62 level, while MACD has made negative crossover above the zero-line. We are anticipating USDINR futures to trade in the range of 82.90 –83.15 for today.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR September	82.7025	82.8575	83.9475	83.1225	83.2025	83.3275



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