



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 24th November 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	48076	47826
Gold	995	47884	47635
Gold	916	44038	43809
Gold	750	36057	35870
Gold	585	28124	27978
Silver	999	64532	63781

* Rates are exclusive of GST as of 23rd November 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Feb	1786.30	-22.80	-1.26
Silver(\$/oz)	Mar	23.49	-0.87	-3.57

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	991.11	6.11
iShares Silver	17,021.74	-66.19

Weekly CFTC Positions

	Long	Short	Net
Gold	2,08,350	44,307	1,64,043
Silver	59,839	23,969	35,870

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14357.28	-230.98	-1.61%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
24 th November 07:00 PM	United States	Prelim GDP q/q	2.2%	2.0%	HIGH
24 th November 08:15 PM	United States	Core Durable Goods Orders m/m	0.5%	0.5%	MEDIUM
24 th November 08:15 PM	United States	Durable Goods Orders m/m	0.2%	-0.3%	MEDIUM
24 th November 08:15 PM	United States	Unemployment Claims	259K	268K	MEDIUM
24 th November 08:15 PM	United States	Core PCE Price Index m/m	0.4%	0.2%	HIGH
24 th November 08:15 PM	United States	Revised UoM Consumer Sentiment	66.8	66.8	MEDIUM
24 th November 08:15 PM	United States	New Home Sales	801K	800K	LOW

Gold and Silver 999 Watch

Date	Gold*	Silver*
23 rd November 2021	47826	63781
22 nd November 2021	48834	65829
18 th November 2021	49235	66486
17 th November 2021	49153	66553

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

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	26th November 2021	1789.4
Gold Quanto	25th November 2021	47454
Silver (\$/oz)	26th November 2021	23.56

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1797.30
Gold London PM Fix(\$/oz)	1789.15
Silver London Fix(\$/oz)	23.82

Gold Ratio

Gold Silver Ratio	76.04
Gold Crude Ratio	22.76



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold extended its biggest slide in more than two months following the renomination of Jerome Powell to head the Federal Reserve. Prices dropped on Tuesday to a fresh two-week low, adding to Monday's 2.2% slide after the White House announcement on the Fed chair, who is considered slightly more hawkish than the other prospective candidate. The dollar and bond yields rose in response on Monday, weighing on bullion's appeal for investors. The precious metal remains under pressure as Treasury rates climb higher. Investors are now pricing in a faster pace of tapering bond purchases by the Fed and the potential for rate hikes in June. At the same time, several parts of the U.S. are seeing Covid-19 outbreaks that are as bad as ever, while Germany's latest surge in infections is worse than anything the country has experienced so far. Bullion's recent drop marks an abrupt end to a period of strength that began after a report showed U.S. inflation at the hottest since 1990. It's now trading below the psychologically important \$1,800-an-ounce level, and has broken some key moving averages. This week, traders will look to a slate of U.S. economic data including figures for growth and the Fed's favoured inflation metric. Minutes from the central bank's latest meeting will also be scrutinized.
- U.S. CPI changes and their effect on real U.S. Treasury yields will be crucial in determining the gold price over the next 12 months. High CPI readings have been proven to impact near-term Treasury real yields. Due to their inverse relationship with gold, lower real yields have pushed up the price of gold to \$1,850/ounce. The gold price has a strong inverse correlation to the U.S. 10-year real Treasury yield rate. Regression analysis shows an inverse correlation ($R = -0.976$) based on a four-year daily data analysis. Other factors that can influence the gold price are geopolitical events and more recently, investor appetite for crypto currencies such as Bitcoin. Regression analysis has shown a weak correlation between the price of gold and Bitcoin with an R^2 close to zero based on daily prices over a two-year period.
- Exchange-traded funds added 14,701 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 8.81 million ounces, according to data compiled by Bloomberg. The purchases were equivalent to \$26.5 million at yesterday's spot price. Total gold held by ETFs fell 8.2 percent this year to 98.3 million ounces. Exchange-traded funds added 14,701 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 8.81 million ounces, according to data compiled by Bloomberg. The purchases were equivalent to \$26.5 million at yesterday's spot price. Total gold held by ETFs fell 8.2 percent this year to 98.3 million ounces.
- The European Central Bank's markets chief and the Dutch National Bank governor urged an end to emergency stimulus, highlighting inflation risks while insisting the recovery can weather new pandemic restrictions. Executive Board member Isabel Schnabel and Governing Council member Klaas Knot both suggested increasing vigilance to the threat of soaring prices, just weeks before a crucial decision on the future of asset purchases. "The risks to inflation are skewed to the upside," Schnabel said in an interview. That was the most hawkish comment yet from one of institution's top team of six officials before the December meeting, and together with PMI readings it prompted investors to resume bets on an interest-rate hike next year. The plan to terminate emergency bond buying in March is "still valid," she added. The euro-area economy is facing a double whammy of headwinds, as a fresh wave of Covid-19 infections threatens to slow activity while inflation pressures notch up to record levels amid ongoing supply disruptions. A purchasing managers' index for the region on Tuesday showed business optimism at the lowest level since January.
- President Joe Biden gave the Federal Reserve's political autonomy a needed boost by re-nominating Republican Jerome Powell as chair, despite calls from some Democrats for a pick more closely aligned with Democrats' interest in fighting climate change and racial inequity. "Why am I not picking a Democrat?" Biden asked rhetorically in announcing his decision on Monday. "Put directly, at this moment of both enormous potential and enormous uncertainty we need stability and independence at the Federal Reserve." "Having Fed leadership with broad bipartisan support is important," the president added in a White House ceremony, flanked by Powell and Fed Governor Lael Brainard, who was tapped to become vice chair. Biden's decision comes at a politically delicate time for the central bank. Its reputation as straight-shooting economic steward took a knock with the recent revelation that some policy makers had traded in financial securities while the Fed was aiding the markets and the economy. It's also caught in a political tug of war between lawmakers. Progressive Democrats want an expand remit, with more action to fight income and racial inequality and climate change. Conservative Republicans want a narrow focus on the goals of price stability and full employment, with special emphasis on containing inflation.
- Fundamental Outlook:** Gold and silver prices are trading slightly higher today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly higher for the day. We recommend buying on dips in intra-day trading session, as all eyes will be on the FOMC meeting minutes later in the evening, where traders and market participants will search for any hints from the previous meeting for the economic activity ahead.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1750	1765	1780	1800	1825	1855
Silver – COMEX	December	22.50	22.80	23.20	23.75	23.90	24.20
Gold – MCX	December	47000	47200	47500	47750	48000	48200
Silver - MCX	December	61400	62000	62700	63100	63650	64250



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
96.49	-0.06	-0.06

Bond Yield

10 YR Bonds	LTP	Change
United States	1.6651	0.0415
Europe	-0.2220	0.0810
Japan	0.0750	0.0000
India	6.3630	0.0140

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5908	-0.0056
South Korea Won	1189.65	4.5000
Russia Ruble	74.3005	-0.5379
Chinese Yuan	6.392	0.0069
Vietnam Dong	22675	4
Mexican Peso	21.2232	0.2207

NSE Currency Market Watch

Currency	LTP	Change
NDF	74.69	0.01
USDINR	74.4825	0.05
JPYINR	64.9075	-0.325
GBPINR	99.585	-0.4825
EURINR	83.8625	-0.2025
USDJPY	114.76	0.73
GBPUSD	1.3372	-0.0072
EURUSD	1.126	-0.0036

Market Summary and News

- Market is seeming to be taking an increasingly negative view on the pound, betting that the decline that's already left the currency near its lowest this year has further to run. The pessimism is down to a cocktail of domestic and international challenges. The pound is suffering from mounting bullishness on the dollar amid signs that the Federal Reserve will accelerate the winding down of its emergency stimulus program. Mixed in with that are doubts about whether the Bank of England will raise interest rates in December, and even concern about tighter policy damaging the economic recovery. The bearishness may signal anxiety about the growth outlook for the U.K. in light of Covid and Brexit uncertainty, and given lingering concerns that a near-term rate hike could be a policy mistake. The BOE is the big near-term unknown after it surprised markets this month by leaving its benchmark rate at 0.1%. While there's now expectation of a hike in December instead, BOE Governor Andrew Bailey and Chief Economist Huw Pill have clouded the picture around that meeting in recent days, saying the decision would be finely balanced. That's got options traders snapping up protection, with the cost of hedging swings in the pound over the coming month hovering near its highest level since March. The pound is trading around \$1.34, just above the 2021 low of \$1.3353 touched earlier this month. It's fallen more than 5% in the past six months, and slipped again as the dollar benefited from news of Jerome Powell's nomination to a second term as Fed chair.
- Biden's selection of Powell for a second four-year term as Fed chair maintains consistency at the central bank as it grapples with the fastest inflation in three decades along with the lingering effects of the coronavirus pandemic. This decision removes uncertainty with Powell's current term ending in February, had there been any delay in appointing a new chair, due to a lack of political support, this could have caused significant financial market nervousness. In consequence there is a theme of continuity for markets that should result in minimal material impact. Betting markets had seen Powell's renomination as the more likely scenario, although Brainard had gained traction in recent weeks. Assumptions about the near-term trajectory of monetary policy under a Brainard Fed may have been ill-founded in the current environment of accelerating inflation and renewed global concerns about the Covid pandemic.
- US Treasuries sold off, sending yields higher after U.S. President Joe Biden's decision to renominate Jerome Powell as head of the Federal Reserve fueled bets that the central bank might tighten policy more quickly. Markets moved to price a full quarter-point rate hike into the June Fed meeting and now see a good chance of a second by September and a third by December. While Powell was favored in prediction markets to win a second term, the possibility that Fed Governor Lael Brainard would get the nod was viewed as likely to put the Fed on a more dovish course. Biden elevated Brainard to vice chair of the central bank. The market is looking at the likelihood that the Fed will increase the rate of tapering and move up the timing of the first rate hike now that Powell is re-nominated. The central bank last week began buying Treasury and mortgage-backed securities in smaller quantities than it had previously, a precursor to raising benchmark interest rates that at the current pace would see asset-purchase tapering conclude around mid-2022. Powell's renomination means policy continuity, as he will shepherd the Fed and markets to policy normalization in the next four years. With inflation running surprisingly hot and hints of the labor-market recovery accelerating, we see an increased likelihood though still not our central scenario, of the Fed announcing an acceleration of the taper pace at its December meeting. Investors expect the central bank to raise interest rates from near zero in June, according to pricing in interest-rate futures markets.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.1000	74.1400	74.3100	74.4700	74.6500	74.8000



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	47946
High	48031
Low	47361
Close	47434
Value Change	-489
% Change	-1.02
Spread Near-Next	318
Volume (Lots)	7490
Open Interest	4785
Change in OI (%)	-8.09%

Gold - Outlook for the Day

In Gold We have seen selloff in gold prices for second day too which left the yellow metal red in a last trading session. It seems that the prices are likely to take support around 1750-60. We are recommending buying on dips for the target of 1810-20.

BUY GOLD DEC (MCX) AT 47500 SL 47200 TARGET 47850/48000

Silver Market Update



Market View

Open	64637
High	64699
Low	62226
Close	62509
Value Change	-2062
% Change	-3.19
Spread Near-Next	997
Volume (Lots)	16305
Open Interest	6964
Change in OI (%)	-2.73%

Silver - Outlook for the Day

Silver witnessed selloff continuously for the two days. We are recommending buying on dips around 23.50-60 for target 24.00-24.20.

BUY SILVER DEC (MCX) AT 62700 SL 62000 TARGET 63500/64000



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	74.48
High	74.62
Low	74.405
Close	74.4825
Value Change	0.05
% Change	0.07
Spread Near-Next	-0.3493
Volume	1945865
Open Interest	1638639
Change in OI (%)	-6.10%

USDINR - Outlook for the Day

USDINR witnessed a positive open at 74.47 and though it did test the highs of 74.62 in the initial hour, rest of the session it struggled to remain in the green zone thus giving closure at 74.48. On the daily chart, the pair has formed a small green candle with long upper shadows indicating resistance at higher levels. The pair has given closure above the long term moving average with resistance at short and medium term moving average. USDINR if breaches the support of 74.37 will go on to test the lows of 74.25 – 74.10 and one can go short for the same. However, an open above 74.62 could test the highs of 74.88. 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 November	74.1000	74.1500	74.3000	74.6000	74.7200	74.8800



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