

Daily Bullion Physical Market Report

Date: 07th May 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	71621	71816
Gold	995	71334	71528
Gold	916	65605	65784
Gold	750	53716	53862
Gold	585	41898	42012
Silver	999	80965	81292

Rate as exclusive of GST as of 06th May 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
06 th May 2024	71816	81292
03 rd May 2024	71191	79989
02 nd May 2024	717327	79719
30 th April 2024	71710	80050

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	JUNE 24	2331.20	22.60	0.96
Silver(\$/oz)	JULY 24	27.61	0.92	3.46

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	829.60	-1.44
iShares Silver	13,189.61	-14.21

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	-
Gold London PM Fix(\$/oz)	-
Silver London Fix(\$/oz)	-

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	JUNE 24	2333.4
Gold Quanto	JUNE 24	71389
Silver(\$/oz)	MAY 24	27.67

Gold Ratio

Description	LTP
Gold Silver Ratio	84.42
Gold Crude Ratio	29.70

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	192173	25034	167139
Silver	55603	21843	33760

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	17846.19	242.73	1.36 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
07 th May 06:00 PM	United States	NO DATA	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold rose as traders assessed mixed signals on the US economy while awaiting a slew of Federal Reserve speakers for clues about the outlook for interest rates. The precious metal climbed as much as 1.3% on Monday, following its first back-to-back weekly losses since February. Trading volumes were lower than average as UK and Japanese markets shut for a holiday. A softer-than expected US jobs print last week added to evidence the economy is gradually slowing, easing fears that markets are headed for a painful rut marked by high inflation and sluggish growth. Still, inflation remains sticky, which means that there's a limit on what the US central bank can do and that bond yields may remain in their recent ranges. Swap traders are now cautiously upping their bets for policy easing this year, and gold investors are upping their bids on views that inflation may remain higher for longer. Gold has advanced more than 12% this year despite the elevated inflationary environment and uncertainty over when the US central bank will reduce rates. A record-breaking rally saw the metal hit a succession of all-time highs in April, with those gains linked to strong central-bank purchases, demand from Asian markets and haven buying amid conflicts in Ukraine and the Middle East. Bullion became less attractive in recent weeks on signs that the Middle East is easing away from a potential full-blown war. However, Israel's military has told civilians to move out of parts of Rafah, a possible prelude to a long-expected attack on the Gazan city. The move comes after cease-fire talks between Hamas and Israel in Cairo over the weekend stalled, the main sticking point being the Iran-backed militant group's insistence that any truce is permanent.

□ Exchange-traded funds cut 110,591 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 4.84 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$254.6 million at the previous spot price. Total gold held by ETFs fell 5.6 percent this year to 80.7 million ounces, the lowest level since Sept. 19, 2019. Gold advanced 12 percent this year to \$2,301.74 an ounce and fell by 0.1 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 46,280 ounces in the last session. The fund's total of 26.7 million ounces has a market value of \$61.4 billion. ETFs also cut 554,995 troy ounces of silver from their holdings in the last trading session, bringing this year's net sales to 7.09 million ounces. This was the third straight day of declines.

□ Fidelity Gold Refinery, a unit of the country's sole authorized buyer of the commodity, reports April data in an emailed statement. NOTE: Production rose from 2,376.7 kilograms a year earlier. Output by large-scale miners rose to 1,168.7 kilograms from 903.35 kilograms in April 2023. Small-scale miners delivered 1,218.20 kilograms down from 1,473.35 kilograms. NOTE: Zimbabwe last year produced 30.1 tons of gold, down from a record 35.3 tons in 2022. NOTE: Fidelity Gold Refinery is owned by the country's sovereign wealth fund known as the Mutapa Fund.

□ Gold-buying by emerging-market central banks has room to run much further, aiding prices, according to Goldman Sachs Group Inc., which reiterated a forecast for bullion to hit \$2,700/oz by year-end. Central-bank purchases have tripled since Russia's invasion of Ukraine in 2022 to about 10 mln oz/quarter, with most unreported, analysts including Lina Thomas and Daan Struyven said in a May 2 note. "Despite the significant increase, EM official gold holdings likely have further room to grow as their 6% average share of official reserves remains about 50% lower" than the 12% in developed markets, they said. "EM central banks drive the gold rush," they said. History suggests that financial and geopolitical shocks drive EM central-bank gold purchases as they diversify reserves away from the US dollar, analysts say. A further, hypothetical rise in financial sanctions equal to the increase seen since 2021 would boost gold by an additional 16% to \$3,130/oz. NOTE: Spot gold was last at ~\$2,325/oz on Tuesday, +13% YTD; price hit a record \$2,431.52/oz on April 12.

Fundamental Outlook: Gold and silver prices are trading slightly lower today on the international bourses. We expect gold and silver prices to trade range-bound to slightly higher for the day, as gold prices edged higher on signs the Federal Reserve will implement rates cuts this year, while an escalation in geopolitical tensions in the Middle East stoked haven demand.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	June	2275	2295	2320	2335	2350	2370
Silver – COMEX	May	27.00	27.35	27.50	27.70	27.85	28.05
Gold – MCX	June	70700	70950	71200	71500	71650	71850
Silver – MCX	May	81000	81800	82500	83000	83700	84200

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
105.05	0.02	0.02

Bond Yield

10 YR Bonds	LTP	Change
United States	4.4874	-0.0203
Europe	2.4680	-0.0270
Japan	0.9010	0.0000
India	7.1050	-0.0420

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.0763	0.0038
South Korea Won	1363	-12.8500
Russia Rubble	91.3184	-0.1566
Chinese Yuan	7.2088	-0.0323
Vietnam Dong	25380	-34
Mexican Peso	16.881	-0.0931

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.57	-0.01
USDINR	83.595	0.0775
JPYINR	54.335	-0.0975
GBPINR	104.84	0.2425
EURINR	89.8375	0.2725
USDJPY	153.3	0.68
GBPUSD	1.2577	0.0002
EURUSD	1.0768	0.0027

Market Summary and News

□ India traders will watch for a 99 billion rupees (\$1.19b) state bond sale on Tuesday to gauge demand for the papers. 10-year yields fell 4bps to 7.11% on Monday. USD/INR rose 0.1% to 83.4987. Implied opening from forwards suggest spot may start trading around 83.4908.

□ "The buyback of six- to nine-month papers will offset the increase in government cash balances, preventing liquidity from slipping into a deficit, while also anchoring short-term rates," Radhika Rao, an economist at DBS Group Holdings, writes in a note. "Banking system liquidity was in marginal deficit and is likely to stay close to current levels this month as seasonal tax outflows loom, keeping call fixings slightly above the repo rate." "Bond markets likely to take cues from US counterparts in a data-light week; ahead of the domestic inflation print due mid-month." Overseas investors bought 8.2 billion rupees of sovereign bonds under limits available to foreign investors, and added 900 million rupees of corporate debt. State-run banks sold 12.1 billion rupees of sovereign bonds on May 6: CCIL data. Foreign banks bought 4.16 billion rupees of bonds.

□ Emerging-market assets advanced — with currencies gaining for a fourth-straight session — as traders grew increasingly confident that the Federal Reserve will cut interest rates this year. An index of EM currencies rose 0.2%; Chile's peso and its Mexican counterpart were the best performers in a basket of 23 EM exchange rates tracked by Bloomberg. Chile's peso climbed 1%, boosted by higher copper prices, reaching its highest level since Jan. 29; Mexico's peso rose almost 0.6%, posting its fourth consecutive day of gains against the greenback. Israel's Shekel trimmed earlier losses on Monday after Hamas said it had agreed to a cease-fire proposal put forward by Qatar and Egypt; the shekel dropped 0.4% against the dollar as of 4:34 pm New York time. A gauge for emerging-market equities edged 0.5% higher, gaining for a third consecutive day. Panama's sovereign bonds advanced across the curve, posting some of the best results among Latin American peers, after voters tapped investor-favorite Jose Raul Mulino as the country's new president. NOTE: A lighter calendar of economic data this week and a UK bank holiday Monday may be reducing volumes in some markets.

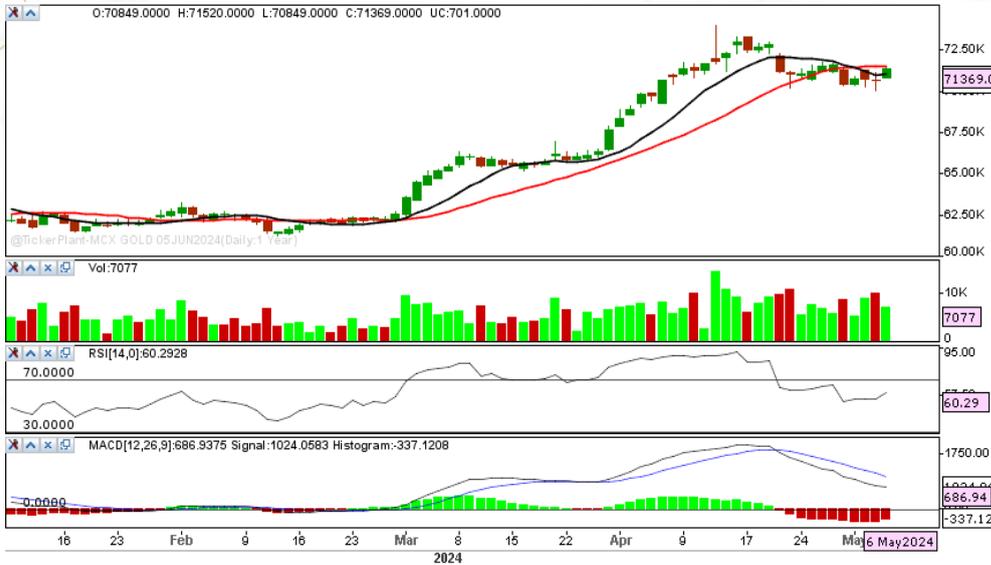
□ The greenback and other haven currencies retreated versus G-10 counterparts on Monday as the S&P 500 index looked set to rise for a third day amid confidence the Federal Reserve will lower rates later this year. Bloomberg dollar index is little changed; the greenback is lower against its G-10 peers except the yen and Swiss franc; the Norwegian krone led gainers in holiday-thinned trade. Treasury 10-year yields slipped two basis points to 4.48%. Federal Reserve Bank of New York President John Williams said eventually there will be interest rate cuts but the decision on when will depend on the totality of the data. Federal Reserve Bank of Richmond President Thomas Barkin said he expects high interest rates to slow the economy further and cool inflation to the central bank's 2% target. WTI oil pared gains to 0.5% after Hamas said it agreed to a cease-fire proposal by Qatar and Egypt. Earlier, Saudi Arabia lifted prices for all grades. Bloomberg Commodity index is on pace to rise most in a month amid broad commodity price gains. Longer-dated FX volatility fell broadly while shorter-dated implieds were mixed. USD/JPY advanced as much as 0.6% to roughly 154, paring some of last week's more than 3% drop as intervention expectations eased; buy stops are said to be set around 154.25 and above 155, according to traders in New York, with dollar shorts targeting 150. EUR/JPY rallies 0.6% to 165.85 after 55-DMA at 163.93 holds. Short-dated risk reversals ease as intervention fears wane. EUR/USD up 0.1% at 1.0776, rising for fourth day, after composite PMI data for April came in above estimates. Euro-area PPI for March fell 0.4% month-on-month in line with forecasts; ECB Chief Economist Philip Lane said recent data has made him more confident inflation will return to the 2% goal. European Central Bank Governing Council member Gediminas Simkus said he sees borrowing costs being reduced three times in 2024 — starting with the planned move in June. AUD/USD up 0.3% at 0.6627; Australian dollar risk reversals turn less bearish as domestic inflation concerns and gains in Chinese stocks boost expectations the Reserve Bank of Australia will reinstate a hawkish bias when it meets Tuesday. GBP/USD is up 0.2% at 1.2566; one-week volatility eases to 6.5% ahead of a Bank of England policy meeting Thursday. USD/CAD slips 0.2% to 1.3660.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	83.2050	83.3025	83.4075	83.5025	83.6025	83.7050

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	70849
High	71520
Low	70849
Close	71369
Value Change	701
% Change	0.99
Spread Near-Next	123
Volume (Lots)	7077
Open Interest	17222
Change in OI (%)	0.52%

Gold - Outlook for the Day

BUY GOLD JUNE (MCX) AT 71200 SL 70950 TARGET 71500/71650

Silver Market Update



Market View	
Open	81750
High	83000
Low	81603
Close	82955
Value Change	1912
% Change	2.36
Spread Near-Next	0
Volume (Lots)	16175
Open Interest	25194
Change in OI (%)	4.67%

Silver - Outlook for the Day

BUY SILVER JULY (MCX) AT 82500 SL 81800 TARGET 83200/83700

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.53
High	83.6225
Low	83.48
Close	83.595
Value Change	0.0775
% Change	0.0928
Spread Near-Next	0
Volume (Lots)	458369
Open Interest	2691596
Change in OI (%)	0.61%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 83.53, which was followed by a session where price shows buying from lower level with candle closures near high. A small green candle formed by the USDINR price where price having support 20-days moving averages placed at 83.45. On the daily chart, the MACD showed a positive crossover below the zero-line, while the momentum indicator, RSI trailing between 55-60 levels showed positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.48 and 83.70.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR May	83.4225	83.4850	83.5375	83.6525	83.7050	83.7575

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