



## Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold surged past \$2,400 an ounce as concerns over rising tensions between Israel and Iran stoked haven demand. Bullion rose as much as 1.3% and headed for a fifth weekly gain after unverified media reports of explosions in Iran, Syria and Iraq. Rhetoric between Iran and Israel has intensified since last weekend's drone and missile strike, with the Islamic Republic warning against attacking its nuclear facilities, and threatening to respond in kind if they are targeted. The US, meanwhile, has urged restraint. Those geopolitical risks largely offset jobs data on Thursday that fanned concerns that the Federal Reserve has some way to go before cutting rates — a view shared by a number of policymakers. Higher borrowing costs are typically negative for the precious metal, which doesn't pay interest. Robust demand from global central banks and Chinese consumers have also supported bullion, which is creeping back up toward last week's record high. Data on Thursday showed exports from Switzerland into China climbed 31% in March from a month earlier.

❖ Exchange-traded funds added 72,257 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 4.1 million ounces, according to data compiled by Bloomberg. The purchases were equivalent to \$170.6 million at yesterday's spot price. Total gold held by ETFs fell 4.8 percent this year to 81.5 million ounces. Gold advanced 14 percent this year to \$2,361.02 an ounce and fell by 0.9 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 83,300 ounces in the last session. The fund's total of 26.6 million ounces has a market value of \$62.8 billion. ETFs cut 1.41 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 8.11 million ounces. This was the sixth straight day of declines, the longest losing streak since March 7.

❖ Federal Reserve Bank of Atlanta President Raphael Bostic said he's comfortable keeping interest rates steady, reiterating he doesn't think it will be appropriate to lower borrowing costs until toward the end of the year. Bostic said he still believes inflation is on the path to the central bank's 2% goal, but he noted that path is likely to be slower than people expect. The Atlanta Fed chief has previously said he anticipates just one rate reduction this year. "Inflation is high — it's too high — and we need to get it to our 2% target," Bostic said Thursday in Fort Lauderdale, Florida. "I'm comfortable being patient." Bostic, who votes on monetary policy this year, said he will continue to monitor job growth and inflation-adjusted wage gains. "Right now, where our stance is — I think is a restrictive stance — it will slow the economy down and eventually get us to 2%," he said. "But I'm not in a mad-dash hurry to get there if all these other good things are happening." At a later event in Coral Gables, Florida, Bostic said that if "inflation starts moving in the opposite direction away from our target, I don't think we'll have any other option but to respond to that." "I'd have to be open to increasing rates," he added. Policymakers are poised to keep interest rates at the current level, a two-decade high, after inflation has proved to be stubborn in the first three months of the year. On Tuesday, Fed Chair Jerome Powell said persistent inflation means it will likely take longer than previously thought to gain enough confidence to lower borrowing costs.

**Fundamental Outlook:** Gold and silver prices are trading higher today on the international bourses. We expect gold and silver prices to trade higher for the day as rising tensions between Israel and Iran fueled haven demand.

### Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	June	2355	2375	2400	2420	2450	2470
Silver – COMEX	May	28.20	28.50	28.75	28.90	29.20	29.50
Gold – MCX	June	72350	72600	72850	73000	73200	73500
Silver – MCX	May	82400	83000	83700	84200	85000	85700

## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
106.15	0.20	0.19

### Bond Yield

10 YR Bonds	LTP	Change
United States	4.6326	0.0453
Europe	2.4960	0.0310
Japan	0.8690	-0.0140
India	7.1880	0.0010

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.2485	0.0064
South Korea Won	1373.1	-13.7000
Russia Rubble	93.9808	-0.2412
Chinese Yuan	7.2387	0.0001
Vietnam Dong	25382	13
Mexican Peso	17.0679	0.1035

### NSE Currency Market Watch

Currency	LTP	Change
NDF	83.62	0.18
USDINR	83.5425	-0.07
JPYINR	54.1475	0.0225
GBPINR	104.25	0.1025
EURINR	89.21	0.25
USDJPY	154.31	-0.13
GBPUSD	1.2474	0.0023
EURUSD	1.0673	0.0037

### Market Summary and News

❖ The rupee rebounded from its all-time low level and closed 9 paise higher at 83.52 against the US dollar on Thursday as the American currency and Brent crude oil prices retreated from their elevated levels. At the interbank foreign exchange market, the local unit opened at 83.51 against the greenback. The unit hit an intra-day high of 83.49. The domestic unit finally settled at 83.52 against the dollar, 9 paise higher from its previous close. On Tuesday, the rupee plunged 17 paise to hit its lowest level of 83.61 against the US dollar for the second time in four weeks.

❖ A jump in energy prices would pose a less acute danger to inflation in Europe than the gyrations in commodities markets seen in recent years, according to European Central Bank Governing Council member Klaas Knot. Describing current risks to consumer prices as "becoming more balanced," the Dutch official told Bloomberg Television's Lisa Abramowicz and Annmarie Hordern that inflation is subsiding toward 2% across the 20-nation euro area. "Now, if we have an oil shock, it will be against a backdrop of general disinflation in all other factors," he said Thursday in Washington. "The likelihood of significant second-round effects, I would argue, is smaller but it is clearly something to monitor." Knot and his colleagues are preparing to lower interest rates at the ECB's next meeting in seven weeks, though many are cautious about moves beyond that in the wake of Iran's attack on Israel at the weekend. Knot said it would take a major jolt in the incoming data to shift his current position. Any "bumps" would have to be large enough to make him "fundamentally change my assessment of the ongoing disinflation process," he said. Bank of France Governor Francois Villeroy de Galhau told CNBC that June's reduction in borrowing costs should go ahead, "barring a major surprise." His Lithuanian counterpart, Gediminas Simkus, told the TV station that only a "huge surprise" could derail the plan, and his baseline is for about three cuts this year.

❖ The Federal Reserve needs to achieve more confidence that inflation is declining before cutting interest rates and could possibly delay such a move until after 2024, said Minneapolis Fed President Neel Kashkari. Asked whether it would be appropriate to hold rates steady this year given upside surprises in recent inflation data, Kashkari said "potentially," speaking during an interview on Fox News Channel. "I'm in the view of, we need to wait and see, be patient as long as it takes, until we get convinced that inflation is on its way back down to 2%," he said. Kashkari has been among the Fed's more hawkish policymakers in recent years. He does not vote on rate decisions this year.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	83.2550	83.3525	83.4575	83.6025	83.7025	83.8050

## Nirmal Bang Securities - Bullion Technical Market Update

### Gold Market Update



Market View	
Open	72498
High	72880
Low	72353
Close	72683
Value Change	160
% Change	0.22
Spread Near-Next	176
Volume (Lots)	7835
Open Interest	21441
Change in OI (%)	-2.41%

### Gold - Outlook for the Day

**BUY GOLD JUNE (MCX) AT 72850 SL 72600 TARGET 73200/73400**

### Silver Market Update



Market View	
Open	84000
High	84000
Low	83080
Close	83273
Value Change	-226
% Change	-0.27
Spread Near-Next	1749
Volume (Lots)	13152
Open Interest	23274
Change in OI (%)	-6.12%

### Silver - Outlook for the Day

**BUY SILVER MAY (MCX) AT 83700 SL 83000 TARGET 84500/85000**

**Nirmal Bang Securities - Currency Technical Market Update**

**USDINR Market Update**



Market View	
Open	83.545
High	83.58
Low	83.49
Close	83.5425
Value Change	-0.07
% Change	-0.0837
Spread Near-Next	0.0975
Volume (Lots)	1136374
Open Interest	2990136
Change in OI (%)	9.89%

**USDINR - Outlook for the Day**

The USDINR future witnessed a gap-down opening at 83.54, which was followed by a session where price shows consolidation in narrow range with positive buyer with candle closures near open. A doji candle formed by the USDINR price where price taken support above 10-days moving averages placed at 83.46. On the daily chart, the MACD showed a positive crossover below the zero-line, while the momentum indicator, RSI trailing between 58-65 level showed positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.45 and 83.66.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR April	83.4025	83.4250	83.4875	83.6025	83.6850	83.7575

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