



# India Bullion and Jewellers Association Ltd.

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### Daily Bullion Physical Market Report

Date: 01<sup>st</sup> March 2021

#### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	46151	46570
Gold	995	45966	46384
Gold	585	26998	27243
Gold	916	42274	42658
Gold	750	34613	34928
Silver	999	68395	68621

\* Rates are exclusive of GST as of 26<sup>th</sup> February 2021  
Gold in Rs/10 Gm & Silver in Rs/Kg

#### Gold and Silver 999 Watch

Date	Gold*	Silver*
26 <sup>th</sup> February 2021	46570	68621
25 <sup>th</sup> February 2021	46446	70225
24 <sup>th</sup> February 2021	46838	69226
23 <sup>rd</sup> February 2021	46917	69730

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

#### COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	April	1728.80	-46.60	-2.62
Silver(\$/oz)	March	26.44	-1.25	-4.50

#### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	29 <sup>th</sup> March 2021	1728
Gold Quanto	24 <sup>th</sup> March 2021	45756
Silver (\$/oz)	28 <sup>th</sup> April 2021	26.46

#### ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,093.53	-6.71
iShares Silver	19,156.60	-57.77

#### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1765.10
Gold London PM Fix(\$/oz)	1742.85
Silver London Fix(\$/oz)	26.69

#### Weekly CFTC Positions

	Long	Short	Net
Gold	1,40,353.00	56,958.00	83395.00
Silver	63,771.00	24,350.00	39,421.00

#### Gold Ratio

Gold Silver Ratio	65.39
Gold Crude Ratio	28.11

#### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
01 <sup>st</sup> March 8:15PM	United States	Final Manufacturing PMI	58.5	58.5	Low
01 <sup>st</sup> March 8:30PM	United States	ISM Manufacturing PMI	58.7	58.7	High
01 <sup>st</sup> March 8:30PM	United States	Construction Spending m/m	0.7%	1.0%	Low
01 <sup>st</sup> March 8:30PM	United States	ISM Manufacturing Prices	80.0	82.1	Low

#### MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14801.91	-232.05	-1.57%



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### Nirmal Bang Securities - Daily Bullion News and Summary

- Gold headed for its worst month since late 2016 as a stronger dollar and expectations for improving economies diminish demand for the haven asset. The Bloomberg Dollar Spot Index was on course for a second week of gains. Meanwhile, a report Friday showed U.S. personal incomes soared in January as pandemic-relief checks helped to re-charge the economy with the strongest spending advance in seven months. Bullion has fallen more than 8% this year as traders focus on a recovery from the Covid-19 pandemic and higher Treasury yields, which make the metal less competitive because it doesn't offer interest. That has caused holdings in bullion-backed exchange-traded funds to fall to lowest since July.
- Australia's gold production rose to 327 tons in 2020, a record for a calendar year, and about 1.5 tons more than 2019, according to Surbiton Associates. Output in the Dec. quarter increased 2 tons compared with Sept. quarter to 83 tons "Although Australian gold production is remaining near record levels, we are seeing a significant overall drop in the grade of ore being treated," director Sandra Close said in a statement on Sunday. "This is a rational response to the higher gold prices during the year."
- After last week's market turmoil, there's really just one question on traders' minds: how central banks will react to the jump in bond yields. The manner in which markets anticipate the likely policy response will be key to determining risk appetite Monday following a week in which 10-year Treasury yields, a benchmark for global borrowing costs, surged to almost triple their levels of August. The move underscored how investors are starting to fret about acceleration in inflation that might prompt the Federal Reserve and other central banks to tighten policy sooner than expected. The S&P 500 had its first back-to-back weekly decline since October, while implied volatility in Group-of- Seven currencies rose the most since June.
- President Joe Biden called on lawmakers to quickly approve his \$1.9 trillion Covid-19 aid package, which passed the House of Representatives early Saturday and heads to the Senate. "It's time to act," Biden said in brief remarks Saturday at the White House, adding that an "overwhelming" percentage of the Americans support the legislation. Treasury Secretary Janet Yellen said in a two-part tweet that the stimulus bill "ensures that people make it to the other side of this pandemic and are met there by a strong, growing economy."

**Fundamental Outlook:** Gold and silver prices are trading slightly higher on international bourses, we expect precious metals prices on Indian bourses to trade range-bound to higher for the day. We recommend buy on dips in intra-day as investor focus remained on bond yields and the outlook for growth. Last week's sell-off in global bonds stabilized after central banks from Asia to Europe moved to calm a panic that had sent Treasury yields to their highest level in a year.

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	April	1700	1730	1750	1790	1830	1855
Silver – COMEX	March	26.70	27.00	27.40	27.90	28.40	28.75
Gold – MCX	April	45650	45900	46100	46400	46650	46850
Silver - MCX	March	68200	69000	69700	70400	71200	72000



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### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
90.88	0.75	0.83

#### Bond Yield

10 YR Bonds	LTP	Change
United States	1.4049	-0.1150
Europe	-0.2620	-0.0280
Japan	0.1620	0.0090
India	6.1820	0.0500

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6033	0.0821
South Korea Won	1123.4	15.4000
Russia Ruble	74.6245	-0.1253
Chinese Yuan	6.4789	0.024
Vietnam Dong	23018	-4
Mexican Peso	20.8554	0.0029

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	74.3	-0.12
USDINR	74.1925	1.4675
JPYINR	69.715	1.1275
GBPINR	103.1125	0.255
EURINR	89.8175	0.885
USDJPY	106.39	0.27
GBPUSD	1.3914	-0.0228
EURUSD	1.211	-0.0112

#### Market Summary and News

- The Reserve Bank of India may consider issuing its own bonds to help soak up a deluge of foreign money into stocks that threatens financial stability, according to a report published by its researchers. Current laws forbid the RBI from selling its own paper, and budgetary constraints could prevent the government from issuing so-called market stabilization scheme, or MSS, bonds that authorities have used in the past. That's made it harder for the RBI to navigate what's known as the Impossible Trinity, i.e. maintaining an independent monetary policy while also allowing free flows of capital and ensuring a stable currency. "Sterilized intervention is an effective solution to managing the trilemma in India. Enhancement of sterilization capacity may be necessary to deal with possible surges in capital flows in the future," the central bank said in its annual Report on Currency and Finance, published Friday. The RBI report recommended further strengthening foreign-exchange reserves, citing the swings in the rupee around the time of the global taper tantrum in 2013. India's stockpile is already close to \$600 billion and exceeds most standard metric requirements. The rupee extended losses after the report. Indian stocks dropped Friday along with markets across Asia on concerns that a faster global economic recovery may lead to a tapering of monetary policy support and inflows.
- The European Central Bank's pledges to fight back against unwarranted increases in bond yields are falling on deaf ears among investors. A selloff in bonds, which pushes up yields, was stemmed only temporarily on Thursday when ECB chief economist Philip Lane said officials will use the flexibility of their emergency bond-buying program to prevent any undue tightening in financial conditions. His colleague Isabel Schnabel gave a similar message earlier in the day. Yet Germany's 10-year bond yield climbed to the highest level since March, its French equivalent rose above zero for the first time since June, and Italian yields climbed to the highest since November. Greek 10-year yields have doubled from a record low set in December. Bond yields are on the rise globally, in part due to spillovers from the U.S. economic recovery and the nation's planned \$1.9 trillion fiscal stimulus program. That's testing central banks elsewhere, concerned that their own recoveries aren't yet advanced enough to cope with higher borrowing costs.
- The pound is heading for the biggest one-day dip in more than a month as risk assets sell off while the yields in the belly of the Treasury curve rally. The U.K. currency's 0.8% decline against the dollar makes it the worst performer in the G-10. The drop is even more eye-catching against the euro. It's down 0.9% on that cross. Still, while falling back toward \$1.40 is grabbing attention, it's worth noting that sterling is up against the dollar over the last past week as are most of its peers. That said, the jitters in FX, bond and equity markets will leave investors who've been warning about asset bubbles feeling justified. And that makes hot trades like the U.K. particularly vulnerable. The Monetary Policy Committee is likely to keep all elements of policy unchanged in March. That would mean the Bank of England's policy rate remains at 0.1% and the total asset purchase target stays at 895 billion pounds. Much depends on the strength of the recovery when the economy opens up. Some BOE policy makers are sounding a note of caution about how much excess savings built up during Covid-19 lockdowns will be spent once the economy reopens. The central bank is likely to hold the rates this year. The strength of the recovery from 2Q and the pick-up in inflation should be enough to prevent the debate about more stimulus heating up.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	72.9000	73.1000	73.2500	73.7500	73.9000	74.1000



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### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

Open	46340
High	46689
Low	45611
Close	45736
Value Change	-505
% Change	-1.09
Spread Near-Next	1342
Volume (Lots)	17952
Open Interest	13719
Change in OI (%)	3.40%

#### Gold - Outlook for the Day

Gold prices has been under pressure as we seen a sharp fall it seems that the prices are likely to support at lower levels around 1700-10 zone. Immediate support is 1700 where the commodity can take halt and bounce recommend to buy between 700-1710 for the day targeting 1760-70.

**BUY GOLD APRIL (MCX) AT 46100 SL 45850 TARGET 46450/46650**

#### Silver Market Update



#### Market View

Open	69400
High	69400
Low	66505
Close	67261
Value Change	-2015
% Change	-2.91
Spread Near-Next	0
Volume (Lots)	19706
Open Interest	4451
Change in OI (%)	-38.10%

#### Silver - Outlook for the Day

Silver prices plummeted sharply on Friday and seem that it will continue for the day we are recommending to sell between 27.00-30 use this opportunity for the target of 26.00.

**BUY SILVER MARCH (MCX) AT 69700 SL 69000 TARGET 70800/71400**





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### Nirmal Bang Securities - Currency Technical Market Update

#### USDINR Market Update



#### Market View

Open	73.155
High	74.34
Low	73.155
Close	74.1925
Value Change	1.4675
% Change	2.02
Spread Near-Next	-1.9002
Volume	7922869
Open Interest	2546740
Change in OI (%)	7.20%

#### USDINRR - Outlook for the Day

USDINR had a gap up at 73.15 and went onto trade with strong bullish momentum to mark the day high at 74.34 gaining 2.02% with closure at 74.19. On the daily chart, the pair has formed a long green candle with closure in higher highs and lows indicating positive bias in the pair. However a weak open could lead to profit taking session towards 73.50. USDINR has given closure above all the important moving averages indicating positive bias in the pair. USDINR if opens below 74.10, it will witness profit taking towards 73.85 – 73.50. However, an open above 74.25 will lead to further the bullish leg towards 74.40 – 74.55. The daily strength indicator RSI and momentum oscillator both have turned sharply to the positive zone indicating strong bullish sentiment in the pair.

**Sell USDINR below 74.08 towards 73.90 – 73.65 with stoploss at 74.25**

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR March	73.6500	73.8500	74.0000	74.3500	74.4800	74.5500



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