



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 03rd July 2020

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	48490	48308
Gold	995	48296	48115
Gold	916	44417	44250
Gold	750	36368	36231
Gold	585	28367	28260
Silver	999	48843	48580

* Rates are exclusive of GST as of 02nd July 2020
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
02 nd July 2020	48308	48580
01 st July 2020	48886	49655
30 th June 2020	48559	48600
29 th June 2020	48554	48565

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Aug	1790.00	10.10	0.57
Silver(\$/oz)	July	18.32	0.10	0.57

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	29July2020	1775.1
Gold Quanto	29July2020	48178
Silver (\$/oz)	26 July2020	18.28

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,191.47	9.36
iShares Silver	15,614.21	124.44

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1771.85
Gold London PM Fix(\$/oz)	1777.45
Silver London Fix(\$/oz)	17.93

Weekly CFTC Positions

	Long	Short	Net
Gold	2,05,519.00	29,855	1,75,644.00
Silver	51,609	22,436	29,173

Gold Ratio

Gold Silver Ratio	97.70
Gold Crude Ratio	44.03

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
03 rd July 6:00PM	United Kingdom	Final Services PMI	47.0	47.0	Medium



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Nirmal Bang Securities - Daily Bullion News and Summary

Market Summary and News

- Gold futures swung between gains and losses as investors weighed better-than-expected U.S. jobs numbers against signs a pickup in coronavirus infections will put additional gains in jeopardy. U.S. data on Thursday showed payrolls rose by 4.8 million in June after an upwardly revised 2.7 million gain in the prior month. Meanwhile, initial weekly claims for unemployment benefits fell less than expected and ongoing claims increased. The improved June data boosted some hopes of a speedy economic recovery, helping equities rise globally. But some investors are doubtful the pain is in the past. Coronavirus cases continue to rise in some U.S. states, causing reopening to pause and even reverse, with the nation setting fresh one-day records for infections.
- Long-end of Treasuries curve remains under significant downside pressure after June jobs report, which sent futures to session lows. Losses broadly hold with yields on the cheapest levels of the day as the curve extends steepening with long-end underperforming an anchored front-end of the curve.
- July may be the month emerging-market currencies claw back ground against gold. The precious metal has outperformed developing-nation exchange rates for two quarters in a row as the global economy's slide toward recession and the threat of a second wave of the pandemic drove investors into haven assets. Currencies, meanwhile, failed to take advantage of the U.S. dollar's weakness as trade shrank and central banks slashed interest rates. But now, encouraging signs from the U.S. economy and vaccine development suggest emerging-market currencies could find a tailwind. And with their valuations at the cheapest level versus gold in nine years, the worst may be over for currencies.
- James Bullard, President of Federal Reserve Bank of St. Louis, said the pandemic may still trigger a wave of substantial bankruptcies that feed into a financial crisis, the Financial Times reports, citing an interview with him. "Even though we got past the initial wave of the March-April timeframe the disease is still quite capable of surprising us. Without more granular risk management on the part of the health policy, we could get a wave of substantial bankruptcies and that could feed into a financial crisis" Said its prudent to keep lending facilities in place for now even though liquidity has improved dramatically in financial markets. Acknowledged the corporate debt buying schemes were "controversial" but said liquidity had been "sorely tested" early in the crisis and that the facilities were an important backstop.

Fundamental outlook: we are bullish on bullions from the long term but vaccines development will restrict upside in the near term.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	August	1730	1745	1758	1790	1810	1830
Silver – COMEX	July	17.30	17.50	17.70	18.30	18.50	18.75
Gold – MCX	August	47600	47850	48050	48300	48500	48700
Silver - MCX	July	48400	48700	49100	49650	50000	50600



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
97.32	0.12	0.12

Bond Yield

10 YR Bonds	LTP	Change
United States	0.6693	-0.0065
Europe	-0.4300	-0.0340
Japan	0.0360	-0.0110
India	5.8410	0.0030

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.3622	0.0424
South Korea Won	1199.95	-3.4000
Russia Ruble	70.568	-0.6184
Chinese Yuan	7.067	-0.0038
Vietnam Dong	23205	0
Mexican Peso	22.4766	-0.2219

NSE Currency Market Watch

Currency	LTP	Change
NDF	74.92	0.04
USDINR	74.895	-0.9075
JPYINR	69.7025	-0.8225
GBPINR	93.695	-0.2725
EURINR	84.515	-0.3825
USDJPY	107.38	-0.13
GBPUSD	1.2504	0.0109
EURUSD	1.1281	0.0078

Market Summary and News

- The rupee rallied 0.8% against the dollar yesterday as RBI was seen stepping away from dollar purchases amid inflows. The conjecture is RBI may go slow on dollar purchases as the balance sheet closing of the central bank for the year is over in June. USD/INR down 0.89% to 74.7650 in the spot. It was already expected that the RBI might deliberately let the rupee weaken till end-June to bolster its balance sheet, which will enable it to transfer a bigger slice of its realized profit as a dividend to the government.
- Inflows from the Reliance Jio deals overwhelmed RBI support leading to a sharp appreciation in the rupee. The Reserve Bank of India bought 100b rupees of bonds and sold an equivalent amount via Operation Twist. Most-traded benchmark note, the 6.45% 2029, steady at 5.96%; 5.79% 2030 bond yield also unchanged at 5.84%. Reliance secured over \$15b by bringing investors including Facebook Inc. and a slew of funds into its digital business
- Sovereign bonds in India climbed ahead of RBI's 100b-rupee Operation Twist on Thursday. Improved goods and services tax collections in June over previous month has also helped sentiment. India's GST collections in June stood at 909.2 billion rupees, lower from 999.4 billion rupees a year ago, according to a statement from the finance ministry. May collections were 620.1b rupees. Revenue has been affected due to the economic impact of the coronavirus and relaxations in filing of returns and payment of taxes, but figures of past three months show recovery in GST revenues.
- States are to borrow 1.78 trillion rupees via bonds during July-September. The market is expected to rally on longer term bonds that the RBI is scheduled to buy tomorrow. GST numbers are very encouraging, indicating that things on the revenue front are coming back to normal. Govt extended a program to distribute free food grains to the country's poorest until the end of November to help them cope with the economic pain of the country's long-drawn virus lockdown. Most of the food grains for the gov't's food grain program have already been procured, so this measure is not a fiscal burden

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.3500	74.5500	74.6500	74.8500	75.0000	75.1500



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	48174
High	48273
Low	47606
Close	48158
Value Change	-109
% Change	-0.23
Spread Near-Next	103
Volume (Lots)	16476
Open Interest	11857
Change in OI (%)	-4.99%

Gold - Outlook for the Day

Comex Gold is trading ranged between \$1755-1780. It seems that the prices are likely to go profit takings and now the immediate strong resistance will be witnessed around \$1790/95. For the day Negative 9/21 MA shows that the negative momentum and recommend to sell on higher levels around \$1785/90 for the target \$1760/50.

BUY GOLD AUG (MCX) AT 48000 SL 47700 TARGET 48400/48500.

SELL GOLD AUG (MCX) AT 48500-550 SL 48800 TARGET 47800/47700.

Silver Market Update



Market View

Open	49352
High	49422
Low	48450
Close	49204
Value Change	-220
% Change	-0.45
Spread Near-Next	0
Volume (Lots)	34405
Open Interest	9601
Change in OI(%)	-1.75%

Silver - Outlook for the Day

Comex Silver is bounced back after a sharp fall towards \$17.70 and back again to \$18.10. It seems the prices are likely to trade range bound bet \$18.30/17.80 for the day. The Negative 9/21 MA shows negative momentum in silver sell around \$18.30/40 for the target of \$17.70.

SELL SILVER SEPT (MCX) AT 50000 SL 50650 TARGET 49200/48700.

BUY SILVER SEPT (MCX) AT 48700 SL 48350 TARGET 49500/49700.



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	75.65
High	75.7
Low	74.8225
Close	74.895
Value Change	-0.9075
% Change	-1.2
Spread Near-Next	0.205
Volume	2337315
Open Interest	1731833
Change in OI (%)	4.72%

USDINR - Outlook for the Day

USDINR had a gap down at 75.65 and though remained in a narrow range for first session, second session witnessed strong bearish momentums which lead the pair to mark low at 74.8225 and close at 74.8575. The pair in today's trade faced a loss of 1.25% from the open. On the daily chart, the pair has formed long red candle indicating deep weakness in the pair. The pair has also closed in lower lows and high. USDINR is now trading below all the important moving averages on the daily chart indicating negative biasness in the pair. USDINR if opens on a positive note and breaches 74.90 on the higher side, the pair can retraced some of the gains towards 75.15 – 75.30. The daily strength indicator RSI and momentum oscillator Stochastic both are in negative zone which is still indicating weakness in the pair.

Buy USDINR above 74.90 for the target of 75.15 / 75.30 with the stoploss at 74.70

Key Market Levels for the Day	S3	S2	S1	R1	R2	R3
USDINR July	74.2500	74.5500	74.7000	75.0000	75.2500	75.5500



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