



# India Bullion and Jewellers Association Ltd.

## Since 1919

**beyond**

powered by

**NIRMAL BANG**  
a relationship beyond broking



### Daily Bullion Physical Market Report

Date: 04<sup>th</sup> August 2020

#### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	53952	53976
Gold	995	53736	53760
Gold	916	49420	49442
Gold	750	40464	40482
Gold	585	31562	31576
Silver	999	64917	64770

\* Rates are exclusive of GST as of 03<sup>rd</sup> August 2020  
Gold in Rs/10 Gm & Silver in Rs/Kg

#### Gold and Silver 999 Watch

Date	Gold*	Silver*
3 <sup>rd</sup> August 2020	53976	64770
31 <sup>st</sup> July 2020	53528	53528
30 <sup>th</sup> July 2020	53277	61760
29 <sup>th</sup> July 2020	53013	53013

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

#### COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	December	1986.30	0.40	0.02
Silver(\$/oz)	September	24.42	0.20	0.83

#### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	28 September 2020	1964
Gold Quanto	23 September 2020	53737
Silver (\$/oz)	27 August 2020	24.49

#### ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,248.38	6.43
iShares Silver	17,640.69	-28.97

#### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1972.95
Gold London PM Fix(\$/oz)	1958.55
Silver London Fix(\$/oz)	24.23

#### Weekly CFTC Positions

	Long	Short	Net
Gold	2,11,455.00	36,945.00	1,74,510.00
Silver	58,138.00	25,976.00	32,162.00

#### Gold Ratio

Gold Silver Ratio	81.35
Gold Crude Ratio	48.43

#### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
4 <sup>th</sup> August 7:30PM	United States	Factory Orders m/m	5.1%	8.0%	Low

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1915	1940	1960	1990	2010	2025
Silver – COMEX	September	23.40	23.79	24.09	24.60	24.90	25.30
Gold – MCX	October	52900	53200	53500	53850	54100	54400
Silver - MCX	September	64000	64700	65400	66100	66500	67400



# India Bullion and Jewellers Association Ltd.

## Since 1919

beyond

powered by

 **NIRMAL BANG**  
a relationship beyond broking



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

#### Market Summary and News

- Spot gold dropped from a record as risk sentiment improved amid positive economic data and a slowdown in the rate of coronavirus infections in some places. U.S. manufacturing expanded in July at the fastest pace since March 2019 as more factories boosted production in the face of firmer orders and lean inventories. Plants across the euro area saw an even stronger return to growth last month than initially reported; marking the region's first manufacturing expansion in one-and-a-half years. Federal Reserve officials warned that another round of fiscal relief would be critical for the U.S. economy as lawmakers continued to negotiate the contours of additional aid.
- Gold looks unstoppable and all the impetus seems to be coming from investors in exchange-traded funds. The question is, can that remain the case forever? Probably not, but when they'll stop is anybody's guess. Spot gold set another record high, and front month again made a foray above \$2,000/oz on Monday. That comes as holdings in ETFs backed by bullion soared to 3,357 tons, almost a third more than was amassed in the period between the global financial crisis and the euro zone sovereign debt crisis. And for now, these buyers are overpowering any reticence in the futures market, where positioning hasn't followed with equal enthusiasm. Holdings may not be as extended as they seem.
- In the past decade, a traditional 60/40 portfolio of stocks and bonds, as represented by the S&P 500 index and long-term government bonds, was a winner. But with U.S. bond yields moving toward zero or even negative territory, it may be time to rethink that mix. In normal times, bonds serve as a hedge against falling stock prices, because they tend to rise in value when equities slump in an economic downturn. But this relationship starts to break down when government bond yields stay down for long periods—especially when they're low as a result of central bank policy. Gold can be a useful hedge against equity risk at times like this. History shows that gold outperformed stocks by a big margin when inflation went above its long-term trend.
- Federal Reserve Bank of St. Louis President James Bullard, in a press briefing with reporters, said he expects the U.S. economy to have a strong third-quarter after a July slowdown as the coronavirus outbreak is controlled more effectively. "The July numbers will turn out to be flatter than May and June. The real time data has been less optimistic than May and June, but May and June were breakout months" "I think you should expect some unevenness in the recovery so this would be a temporary reprieve from a very strong growth rates in May and June".

**Fundamental Outlook:** The strengthening of the dollar index and the psychological mark of \$ 2,000 is what holding gold prices from rising higher, sustaining above \$ 2,000 will test further upside in gold prices. We continue to maintain our bullish outlook on gold for medium to long term.



# India Bullion and Jewellers Association Ltd.

## Since 1919

**beyond**

powered by

**NIRMAL BANG**  
a relationship beyond broking



### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
93.54	0.19	0.21

#### Bond Yield

10 YR Bonds	LTP	Change
United States	0.5543	0.0261
Europe	-0.5240	0.0010
Japan	0.0260	0.0060
India	5.8370	-0.0010

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.322	0.101
South Korea Won	1193.35	2.2000
Russia Ruble	73.1223	-1.2646
Chinese Yuan	6.9809	0.0057
Vietnam Dong	23166	-1
Mexican Peso	22.6285	0.352

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	75.41	-0.04
USDINR	75.445	0.4325
JPYINR	71.1175	-0.4425
GBPINR	98.195	-0.275
EURINR	88.4725	-0.2825
USDJPY	106.12	1.37
GBPUSD	1.3016	-0.0111
EURUSD	1.1726	-0.0102

#### Market Summary and News

- India's rupee fell the most in three weeks along with other emerging Asian currencies on the back of weaker equities and stronger dollar. Bonds remained steady ahead of the RBI's rate decision later this week. USD/INR rises 0.3% to 75.01, the biggest closing gain since July 14. Euro and pound retraced some of their gains against the dollar, impacting the pair. The yield on the current benchmark bond was steady at 5.84%; government last week sold a new 10-year bond.
- The dollar climbed to its highest level in a week amid short covering and higher Treasury yields as positive purchasing manager's readings in China and Europe helped buoy risk appetite. Trader's attention will likely turn to developments on U.S. stimulus talks and upcoming Fed speakers. The Bloomberg Spot Dollar Index rises 0.4%, firmly breaching the 1800 level; the greenback is broadly higher against its G-10 peers with the Swiss franc leading session losses; commodity currencies ease amid lower oil prices and worries about spreading virus in Australia.
- The pound swung between modest losses and gains amid broad dollar strength and concern the U.K. could reintroduce virus lockdown measures, jeopardizing the nation's economic recovery. GBP/USD was up 0.2% at 1.3105, after dropping as low as 1.3055 earlier; against the euro, sterling rose 0.2% on the day to 89.88 pence.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.70	74.85	75.00	75.35	75.50	75.60



# India Bullion and Jewellers Association Ltd.

## Since 1919

**beyond**

powered by



**NIRMAL BANG**  
a relationship beyond broking



### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

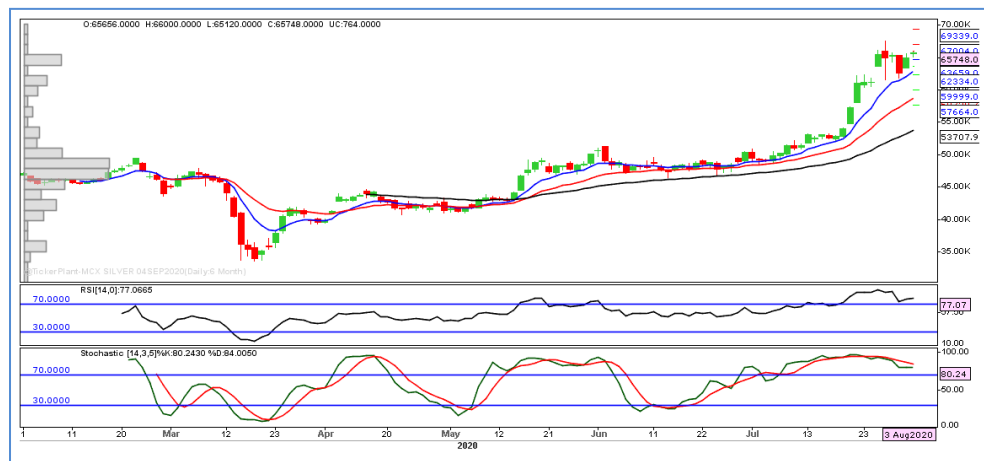
Open	53564
High	53845
Low	53429
Close	53717
Value Change	272
% Change	0.51
Spread Near-Next	230
Volume (Lots)	10939
Open Interest	16239
Change in OI (%)	1.00%

#### Gold - Outlook for the Day

Comex Gold has seen a sharp upside and likely to continue the rally if sustain above \$1950. It seems that the prices are likely to test \$1980-1990. For the day Positive 9/21 MA shows that the positive momentum and recommend to buy on dips around \$1960-65 for the target \$1990-80.

**BUY GOLD OCT (MCX) AT 53500 SL 53200 TARGET 53900/54100.**

#### Silver Market Update



#### Market View

Open	65656
High	66000
Low	65120
Close	65748
Value Change	764
% Change	1.18
Spread Near-Next	1715
Volume (Lots)	33544
Open Interest	13030
Change in OI(%)	1.44%

#### Silver - Outlook for the Day

In Comex Silver We are expecting prices to correct till \$23.6 for the day. It seems that the commodity can take upward touch till \$25-25.30 and go down till 23.5. Positive 9/21 MA shows positive momentum in silver can see some upside till \$25-25.3.

**SELL SILVER SEPT (MCX) AT 66100 SL 66600 TARGET 65400/65000.**

**BUY SILVER SEPT (MCX) AT 64300 SL 62700 TARGET 65000/65400.**





# India Bullion and Jewellers Association Ltd.

## Since 1919

**beyond**

powered by

**NIRMAL BANG**  
a relationship beyond broking



### Nirmal Bang Securities - Currency Technical Market Update

#### USDINRR Market Update



#### Market View

Open	75.015
High	75.085
Low	74.87
Close	75.0125
Value Change	-0.0725
% Change	-0.1
Spread Near-Next	0.2175
Volume	1523639
Open Interest	1543634
Change in OI (%)	0.15%

#### USDINRR - Outlook for the Day

USDINR had a positive open at 75.10 and remained sideways for first half of the session. However, second session witnessed a strong bullish momentum which lead the pair to Mark the high at 75.49 with closure near the same at 75.44. On the daily chart, the pair has marked a long bullish candle with closure in higher highs and lows indicating positive bias in the pair. USDINR has moved above the short term (09) and medium term (21) simple moving average while maintaining a close resistance at the long term (50) moving average, a breach of which will further on add the green momentum. The strength index RSI and momentum oscillator Stochastic both are above their reference line thus indicating presence of positive bias in the pair. USDINR if in today's session moves above 75.50 it will test 75.65 - 75.80 levels on the higher side. However an open below 75.35 will lead the pair to bearish zone again towards the range of 75.20 - 75.10.

**Buy on dips around 75.45 - 75.40 for the target of 75.60 - 75.75**

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR September	75.00	75.20	75.35	75.60	75.75	75.88



# India Bullion and Jewellers Association Ltd.

## Since 1919

beyond

powered by



NIRMAL BANG  
a relationship beyond broking



### Nirmal Bang Securities – Commodity Research Team

Name	Designation	E-mail
Kunal Shah	Head of Research	<a href="mailto:kunal.shah@nirmalbang.com">kunal.shah@nirmalbang.com</a>
Devidas Rajadhikary	AVP Commodity Research	<a href="mailto:devidas.rajadhikary@nirmalbang.com">devidas.rajadhikary@nirmalbang.com</a>
Harshal Mehta	AVP Commodity Research	<a href="mailto:harshal.mehta@nirmalbang.com">harshal.mehta@nirmalbang.com</a>
Ravi D'souza	Sr. Research Analyst	<a href="mailto:ravi.dsouza@nirmalbang.com">ravi.dsouza@nirmalbang.com</a>
Smit Bhayani	Research Associate	<a href="mailto:smit.bhayani@nirmalbang.com">smit.bhayani@nirmalbang.com</a>
Shrishty Agarwal	Research Associate	<a href="mailto:shrishty.agarwal@nirmalbang.com">shrishty.agarwal@nirmalbang.com</a>
Riya Singh	Currency Research Analyst	<a href="mailto:riya.singh@nirmalbang.com">riya.singh@nirmalbang.com</a>

**Disclaimer:** This Document has been prepared by Nirmal Bang Securities Pvt. Ltd). The information, analysis and estimates contained herein are based on Nirmal Bang Research assessment and have been obtained from sources believed to be reliable. This document is meant for the use of the intended recipient only. This document, at best, represents Nirmal Bang Research opinion and is meant for general information only. Nirmal Bang Securities Pvt Ltd, its directors, officers or employees shall not in any way be responsible for the contents stated herein. Nirmal Bang Research expressly disclaims any and all liabilities that may arise from information, errors or omissions in this connection. This document is not to be considered as an offer to sell or a solicitation to buy any securities. Nirmal Bang Research, its affiliates and their employees may from time to time hold positions in securities referred to herein.

**Address:** Nirmal Bang Securities Pvt. Ltd., B2, 301 / 302, 3rd Floor, Marathon Innova, Opp. Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel (W), Mumbai - 400 013, India