



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 22nd January 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	49714	49659
Gold	995	49515	49460
Gold	916	45538	45488
Gold	750	37286	37244
Gold	585	29083	29051
Silver	999	67342	67160

* Rates are exclusive of GST as of 21st January 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
21 st January 2021	49659	67160
20 th January 2021	49262	65988
19 th January 2021	49141	65801
18 th January 2021	48969	64895

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	February	1869.30	-0.90	-0.05
Silver(\$/oz)	March	25.85	0.09	0.34

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	27 th January 2021	1868.4
Gold Quanto	27 th January 2021	49468
Silver (\$/oz)	25 th February 2021	26.01

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,174.13	0.00
iShares Silver	17,862.70	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1867.65
Gold London PM Fix(\$/oz)	1862.10
Silver London Fix(\$/oz)	25.87

Weekly CFTC Positions

	Long	Short	Net
Gold	1,58,862.00	53,592.00	1,05,270.00
Silver	71,199.00	27,804.00	43,395.00

Gold Ratio

Gold Silver Ratio	72.30
Gold Crude Ratio	35.18

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
22 nd January 8:15PM	United States	Flash Manufacturing PMI	56.6	57.1	Medium
22 nd January 8:15PM	United States	Flash Services PMI	53.3	54.8	Low
22 nd January 8:15PM	United States	Existing Home Sales	6.55M	6.69M	Low

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	15456.54	-2.97	-0.02%



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold held gains after surging on Wednesday as the dollar extended declines and Joe Biden was sworn in as U.S. president. European shares and U.S. equity futures continued rising as global equities climbed to a record on Thursday on optimism that more stimulus under the Biden administration will drive a post-pandemic rebound. The dollar weakened for a fourth consecutive day as investors adopted more bullish positions, taking some pressure off gold.
- Holdings in exchange-traded funds backed by silver jumped the most in 17 months as the outlook for a weak dollar and low interest rates bolstered prospects for the precious metal. Total net ETF holdings on Wednesday rose 22.5 million ounces, or 2.5%, including a gain of 20 million posted by iShares Silver Trust. The top fund's increase was worth \$505.3 million, the biggest in eight years and the second-largest since the debut in 2006. Investors anticipate the dollar will extend a slump against major currencies, supporting metal prices and riskier assets including equities, which are trading close to record highs in the U.S. Demand for industrial use in China has climbed as the nation's economy recovered from the coronavirus outbreak.
- Gold Fields Ltd. named former Anglo American Platinum Ltd. boss Chris Griffith as its new chief executive officer as the company seeks a solution for its last gold mine in South Africa. The new chief will start on April 1, succeeding Nick Holland, who is retiring after 13 years at the helm. Gold Fields extended gains on the news, rising as much as 6.2% in Johannesburg trading. Griffith left Anglo American Platinum Ltd. last year at a high point for the company, having recently reported bumper earnings and boosted shareholder returns. During his tenure, the Anglo American Plc unit sold and mothballed less profitable operations to focus on lower-cost mines.
- Silver may have had a bumpy ride so far in 2021, but the precious metal's backers are looking to a rerun of its meteoric 2010 rally on the back of the reflation trade. Worldwide holdings in silver-backed ETFs just swelled to their highest ever, according to a Bloomberg tally. That suggests bets on reflation, combined with wagers on rising demand from the metal's use in solar panels. Gold's cheaper cousin did well in 2020, rallying almost 50% as the pandemic prompted the Fed to take the axe to rates and go all-in on QE.
- European Central Bank President Christine Lagarde signaled that the euro-zone economy is headed for a double-dip recession, while insisting that the current level of monetary stimulus is enough for now. The ECB chief said output probably shrank at the end of 2020, and "a decline in the fourth quarter will travel into the first quarter." Economists are increasingly predicting a contraction in the first three months of this year as governments extend lockdowns to contain the resurgent coronavirus.

Fundamental Outlook: Gold and silver prices are trading slightly lower on the international bourses. We expect prices to trade range-bound to slightly lower for the day as the U.S. unveiled its strategy to combat the pandemic and investors assessed the prospects for stimulus. Also holdings in exchange-traded funds backed by silver expanded again to a record. Some profit booking in the intra-day in precious metals is expected.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	February	1820	1850	1870	1899	1920	1950
Silver – COMEX	March	24.90	25.20	25.50	26.00	26.30	26.70
Gold – MCX	February	48900	49200	49400	49550	49750	49950
Silver - MCX	March	66000	66600	67100	67300	67850	68250



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
90.13	-0.34	-0.38

Bond Yield

10 YR Bonds	LTP	Change
United States	1.1058	0.0256
Europe	-0.4970	0.0320
Japan	0.0430	-0.0060
India	5.9300	0.0140

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.3605	0.0522
South Korea Won	1098.25	-1.9500
Russia Ruble	73.8465	0.3397
Chinese Yuan	6.462	-0.0036
Vietnam Dong	23073	-4
Mexican Peso	19.7313	0.1268

NSE Currency Market Watch

Currency	LTP	Change
NDF	73.22	0.04
USDINR	73.03	-0.0475
JPYINR	70.6075	0.195
GBPINR	100.1975	0.1325
EURINR	88.675	0.085
USDJPY	103.49	-0.51
GBPUSD	1.3718	0.0026
EURUSD	1.2138	0.0015

Market Summary and News

- While uncertainty remains high the Bank of Japan raised its view on Japanese growth for the next fiscal year due to the government's latest stimulus package, Governor Haruhiko Kuroda tells reporters Thursday in Tokyo. The Bank of Japan left its main policy unchanged after forecasting the economy will regain more lost growth than previously thought once it starts to recover from the current state of emergency. The BOJ held its interest rate and asset buying settings intact, according to a statement from the central bank Thursday. While the bank took a gloomier view of the current state of the economy as record cases of Covid-19 keep a state of emergency in place, the BOJ concluded that weaker growth at the end of the current fiscal year and a government stimulus package announced last month will result in a stronger rebound in the year starting April. Currently about 60% of the economy is subject to advisories that mainly call for reduced activity in the evenings after Prime Minister Yoshihide Suga widened the state of emergency beyond the Tokyo region to include most of Japan's other business hubs.
- The BOJ has concentrated its efforts during the pandemic on ensuring businesses have access to cash and keeping markets stable. Its relative success so far and the prospect of vaccine distribution over the coming months gave it enough breathing room to monitor developments for now. Still, the bank's gloomier view of the country's immediate economic health, and its downside risks, adds to evidence the bank is a long way from the cautious optimism of some of its global peers. Some Federal Reserve officials see the possibility of a much stronger U.S. rebound once vaccines are widely delivered. The gap in perceptions may help relieve some upward pressure on the yen. The currency hit a nine-month high against the dollar earlier this month, pushing Japanese exporters closer to loss-making levels when they are already facing lower demand amid the pandemic.
- The Reserve Bank of India signaled recently it won't relent on dollar purchases that pushed the currency to the bottom of Asia's currency rankings in 2020. Analysts had forecast for the rupee to rise for the first time in four years on hopes the RBI may slow its foreign-currency accumulation after the stockpile rose to a record. The large FX intervention that the central bank undertook in 2020 totaling almost \$120 billion will continue in 2021. Persistent FX intervention will see INR underperforming regional currencies.
- The rupee is under pressure to rise on heavy foreign inflows. However, that prompts the central bank to mop up excess dollars with the aim of keeping the local exchange rate stable. The expectation is that the inflows would likely reach to \$82 billion by the end of the fiscal year ending March, before continuing at a similar pace in the following 12 months. On the other hand the RBI bought net \$10.3 billion of foreign exchange in the spot market in November while its intervention in the forwards market saw its long-dollar position rise to \$28.3 billion at end-November versus \$13.6 billion in the previous month, central bank data released Thursday showed. The silver lining here is India's forex reserves consequently rose to a record \$586 billion, catching up with Russia, which has the world's fourth-largest stockpile. This will have a positive implications for the rupee when the greenback strengthens. This prudential FX reserve building means that on episodes of sudden USD strength, rupee resilience will be greater. In a stronger-dollar scenario, and barring a surge in oil prices the rupee could fare better than peers such as the Indonesian rupiah and Philippine peso.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	72.5500	72.7000	72.8500	73.1000	73.2500	73.4000



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	49699
High	49765
Low	49323
Close	49448
Value Change	-86
% Change	-0.17
Spread Near-Next	0
Volume (Lots)	8746
Open Interest	5273
Change in OI (%)	-5.42%

Gold - Outlook for the Day

Gold prices are likely to trade subdued for the day and we believe the prices are likely to trade ranged between 1850-1920 for the day. We may see some selling pressure around 1900-1920 recommend to sell on rise around 1900-1920 for targets of 1850-60.
SELL GOLD FEB (MCX) AT 49550 SL 49800 TARGET 49200/49000

Silver Market Update



Market View

Open	67300
High	67848
Low	66956
Close	67300
Value Change	310
% Change	0.46
Spread Near-Next	0
Volume (Lots)	14568
Open Interest	11719
Change in OI(%)	-1.01%

Silver - Outlook for the Day

Silver prices are likely to trade range bound between 25.30-26.40 for the day. We may see some selling pressure on higher levels like 26.70-90.
SELL SILVER MARCH (MCX) AT 67300 SL 67850 TARGET 66600/66100.



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	72.98
High	73.0625
Low	72.93
Close	73.03
Value Change	-0.0475
% Change	-0.06
Spread Near-Next	0.3369
Volume	1797962
Open Interest	2631952
Change in OI (%)	0.52%

USDINRR - Outlook for the Day

USDINR had a gap down at 72.90 followed by a reversal momentum leading the pair to give closure in green at 73.03. On the daily chart, the pair has formed a green candle with closure in lower lows and highs indicating weakness in the pair. USDINR still has give a close below all the important moving average on the daily chart supporting the negative bias. USDINR if opens below 73.03, it will continue with the bearish momentum towards 72.90 – 72.75 and one can go short. However, an open above 73.11 will lead the pair to test the highs of 73.25 – 73.30. The daily strength indicator RSI and momentum oscillator both now turned to weaker zone indicating negative bias in the pair

Buy USDINR above 73.05 for target towards 73.20 – 73.35 with stoploss at 72.90

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR January	72.6000	72.7500	72.9000	73.1100	73.2500	73.3300



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