



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 25th February 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	46792	46838
Gold	995	46605	46650
Gold	916	42861	42904
Gold	750	35094	35129
Gold	585	27373	27400
Silver	999	69099	69226

* Rates are exclusive of GST as of 24th February 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
24 th February 2021	46838	69226
23 rd February 2021	46917	69730
22 nd February 2021	46649	69370
19 th February 2021	46101	68414

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	April	1797.90	-8.00	-0.44
Silver(\$/oz)	March	27.93	0.19	0.67

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	29 th March 2021	1796.8
Gold Quanto	24 th March 2021	46542
Silver (\$/oz)	25 th February 2021	27.91

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	1,106.36	-4.08
iShares Silver	19,272.14	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1807.25
Gold London PM Fix(\$/oz)	1788.00
Silver London Fix(\$/oz)	27.75

Weekly CFTC Positions

	Long	Short	Net
Gold	1,53,346.00	47,495.00	1,05,851.00
Silver	63,248.00	23,557.00	39,691.00

Gold Ratio

Gold Silver Ratio	64.38
Gold Crude Ratio	28.44

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
25 th February 7:00PM	United States	Prelim GDP q/q	4.2%	4.0%	Medium
25 th February 7:00PM	United States	Core Durable Goods Orders m/m	0.6%	1.1%	Low
25 th February 7:00PM	United States	Durable Goods Orders m/m	0.9%	0.5%	Low
25 th February 7:00PM	United States	Prelim GDP Price Index q/q	2.0%	2.0%	Low
25 th February 7:00PM	United States	Unemployment Claims	828K	861K	Low
25 th February 8:30PM	United States	Pending Home Sales m/m	0.2%	-0.3%	Low

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14927.29	-49.79	-0.33%



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold fell as a surge in bond yields dimmed the appeal of the non-interest-bearing metal while holdings in exchange-traded funds backed by the metal extended declines. Benchmark 10-year Treasury yields topped year-to-date highs early in New York amid big block sales, and the dollar advanced, reducing demand bullion as an alternative asset. Holdings in Gold-backed ETFs dropped to the lowest since mid-2020. The metal have had a rocky start to 2021 after its best year in a decade as expectations for improving economies boost yields and diminish demand for haven assets.
- The unprecedented \$9 trillion rescue mission by central banks to haul the world economy from its coronavirus recession is being tested as rising bond yields and inflation bets threaten their ability to keep borrowing costs down. While Federal Reserve Chairman Jerome Powell this week called the recent run-up in bond yields “a statement of confidence” in the economic outlook, other counterparts are sounding less sanguine as their recoveries lag that of the U.S. European Central Bank President Christine Lagarde said Monday that she and colleagues are “closely monitoring” government debt yields. The Bank of Korea warned it’ll intervene in the market if borrowing costs jump, Australia’s central bank has been forced to resume buying bonds to enforce its yield target and the Reserve Bank of New Zealand Wednesday promised a prolonged period of stimulus even as the economic outlook there brightens.
- Federal Reserve Chair Jerome Powell emphasized his view that the economy has a long way to go in the recovery and signs of prices rising won’t necessarily lead to persistently high inflation. “Our policy is accommodative because unemployment is high and the labor market is far from maximum employment,” he told the House Financial Services Committee on Wednesday, in his second day of testimony to Congress. “It’s true that some asset prices are elevated by some measures.”
- Exchange-traded funds cut 194,467 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 1.85 million ounces, according to data compiled by Bloomberg. This was the seventh straight day of declines, the longest losing streak since Dec. 7. ETFs also cut 6.97 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 68.3 million ounces.

Fundamental Outlook: Gold and silver prices are trading flat on international bourses, we expect precious metals prices on Indian bourses to trade slightly lower for the day. We recommend sell on rise in intra-day as surging bond yields damped demand for the metal which doesn’t bear interest, while investors also weighed comments from the Federal Reserve chair on growth and inflation with encouraging vaccine news.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	April	1720	1740	1770	1815	1840	1855
Silver – COMEX	March	27.00	27.30	27.60	28.20	28.50	28.75
Gold – MCX	April	45900	46100	46400	46600	46800	47000
Silver - MCX	March	68000	68700	69300	69850	70500	71200



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
90.18	0.01	0.01

Bond Yield

10 YR Bonds	LTP	Change
United States	1.3756	0.0341
Europe	-0.3050	0.0110
Japan	0.1260	0.0010
India	6.1470	-0.0240

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.4159	-0.0256
South Korea Won	1112.15	1.6500
Russia Ruble	73.53	-0.7775
Chinese Yuan	6.4571	-0.0097
Vietnam Dong	23107	81
Mexican Peso	20.3775	-0.1547

NSE Currency Market Watch

Currency	LTP	Change
NDF	72.6	0.14
USDINR	72.635	-0.2075
JPYINR	68.655	-0.525
GBPINR	102.55	0.19
EURINR	88.3225	-0.1425
USDJPY	105.5	0.21
GBPUSD	1.4118	0.0061
EURUSD	1.2159	0.0009

Market Summary and News

- Federal Reserve Chair Jerome Powell emphasized his view that the economy has a long way to go in the recovery and signs of prices rising won't necessarily lead to persistently high inflation. "Our policy is accommodative because unemployment is high and the labor market is far from maximum employment. It's true that some asset prices are elevated by some measures", he told the House Financial Services Committee on Wednesday, in his second day of testimony to Congress. Powell acknowledged that the central bank does expect inflation to move up because of base effects and a surge in demand as the economy reopens from shutdowns during the virus outbreak. But he emphasized that central bank has the tools to deal with it. Powell delivered his remarks as signs appear that the economy is strengthening and as optimism grows with the distribution of vaccines. Markets are also expecting further fiscal stimulus from President Biden and Congress. That prospect is setting the stage for a shift away from historically low Treasury yields and energizing the global economic trade, driving up commodities prices and inflation expectations. During the hearing, Powell voiced confidence that the Fed would succeed in lifting inflation and getting it to average 2% overtime. "I'm confident that we can and that we will, and we are committed to using our tools to achieving that," he said. "We live in a time where there is significant disinflationary pressures around the world and where essentially all major advanced economy's central banks have struggled to get to 2%. We believe we can do it, we believe we will do it." Powell said that "it may take more than three years" to reach that goal but vowed to update the Fed's assessment on the issue every quarter.
- Indian bonds gain for a second day as the central bank Governor Shaktikanta Das reiterated stance to keep banking-system liquidity ample to support the government's near-record borrowing plan. RBI will do at least 3t rupees of open-market bond purchases in the fiscal year starting April 1 to support the debt-sale program, similar to what it did in the current fiscal year. The Governor's strong pledge that the RBI will support the borrowing program triggered expectations of large open-market bond purchases. Still, yields are headed higher given the global surge in oil prices, U.S. yields and heavy borrowing program domestically. Higher yields reflect the increased supply of bonds and the wider fiscal deficit even as RBI seeks to keep a lid on interest rates. Easier financial conditions led by lower interest rates for companies will help revive the economy and RBI is within its right to ensure that the high fiscal deficit and borrowing do not derail the recovery. RBI announced holding 150b rupees of Operation Twist on March 4, where it plan to buy longer bonds and sell similar amount of shorter debt, the central bank said after close of markets
- Sterling's vaccine-fueled rally against the euro is beginning to look relentless. The pound extended its longest winning streak in five-and-a-halfyears, rising for a ninth straight day. The U.K.'s exit from lockdown could be accelerated if data on the effect of vaccines prove better than expected. That's adding to optimism that Britain will bounce back faster than its European peers. The U.K. economy is heavily domestic- and service- focused which means it will benefit to a greater degree from re-opening and money flowing into the stock market is also a factor, with U.K. equities among the cheapest in developed markets thus attracting cash flows in the country.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	71.8000	72.0500	72.2000	72.5000	72.6500	72.8000



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	46808
High	46857
Low	46268
Close	46522
Value Change	-280
% Change	-0.6
Spread Near-Next	556
Volume (Lots)	11487
Open Interest	13118
Change in OI (%)	1.97%

Gold - Outlook for the Day

Gold prices has been under pressure yesterday as we seen a sharp fall it seems that the prices are likely to resist at higher levels around 1820-30 zone. At the same time the immediate support is 1760-70 where the commodity can take halt and bounce try to trade between 1760-1820 for the day.

BUY GOLD APRIL (MCX) AT 46400 SL 46100 TARGET 46750/46850

Silver Market Update



Market View

Open	69611
High	69896
Low	68654
Close	69543
Value Change	202
% Change	0.29
Spread Near-Next	0
Volume (Lots)	20724
Open Interest	7990
Change in OI (%)	-23.48%

Silver - Outlook for the Day

Silver prices for the day we are recommending to trade between 28.30-27.40 zone. After a sharp fall it seems that the commodity can take a pullback till 28.30 should be used as selling opportunity for the target of 27.60.

BUY SILVER MARCH (MCX) AT 69300 SL 68700 TARGET 70200/70500



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	72.7
High	72.7225
Low	72.585
Close	72.635
Value Change	-0.2075
% Change	-0.28
Spread Near-Next	-0.3427
Volume	1405671
Open Interest	2278554
Change in OI (%)	9.96%

USDINRR - Outlook for the Day

USDINR had a gap up at 72.70 but reversed the gains from 72.72 followed by weak momentum to mark day's low at 72.58 with closure near the same at 72.64. On the daily chart, the pair has formed a small red candle with closure in higher highs and lows thus the pair need a positive closure in green to confirm the bullish leg. USDINR has given closure below the short term moving average and has continued to show resistance at the medium and long term moving average. USDINR if opens below 72.58, it will continue with the bearish momentum towards 72.50 – 72.30 and one can go short. However, a move above 72.85 will lead the pair to test the highs of 73 – 73.15. The daily strength indicator RSI and momentum oscillator both are still below the reference line indicating weakness in the pair.

Buy USDINR above 72.56 for the target of 72.70 – 72.80 with stoploss at 72.40

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR March	72.3000	72.4500	72.6000	73.0500	73.2500	73.5000



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Nirmal Bang Securities – Commodity Research Team

Name	Designation	E-mail
Kunal Shah	Head of Research	kunal.shah@nirmalbang.com
Devidas Rajadhikary	AVP Commodity Research	devidas.rajadhikary@nirmalbang.com
Harshal Mehta	AVP Commodity Research	harshal.mehta@nirmalbang.com
Ravi D'souza	Sr. Research Analyst	ravi.dsouza@nirmalbang.com
Smit Bhayani	Research Associate	smit.bhayani@nirmalbang.com
Riya Singh	Currency Research Analyst	riya.singh@nirmalbang.com

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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