India Bullion and Jewellers Associations Ltd.
Since 1919

Daily Bullion Physical Market Report

Date: 20th March 2023

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	58159	58220
Gold	995	57927	57987
Gold	916	53273	53329
Gold	750	43619	43665
Gold	585	34023	34058
Silver	999	66937	66773

*Rate as exclusive of GST as of 17th March 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
17th March 2023	58220	66773
16th March 2023	58341	67311
15th March 2023	57902	66861
14th March 2023	57605	66176

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold($/oz)	JUN 23	1990.20	-8.40	-0.43
Silver($/oz)	MAY 23	22.46	-0.19	-0.87

ETF Holdings as on Previous Close

ETFs	Long	Short
SPDR Gold	914.72	1.45
iShares Silver	14,393.07	-325.91

Gold and Silver Fix

Description	LTP
Gold London AM Fix($/oz)	1930.90
Gold London PM Fix($/oz)	1962.10
Silver London Fix($/oz)	21.89

Bullion Futures DGCX

Description	Contract	LTP
Gold($/oz)	APR. 23	1978.9
Gold Quanto	APR. 23	59403
Silver($/oz)	MAY. 23	22.59

Gold Ratio

Description	LTP
Gold Silver Ratio	88.60
Gold Crude Ratio	29.82

Weekly CFTC Positions

	Long	Short	Net
Gold($/oz)	114511	90405	24106
Silver	27565	45770	-18205

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	15657.94	394.26	2.52 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
20th March 07:30 PM	Europe	ECB President Lagarde Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold headed for its biggest weekly gain since March 2020 after attracting haven demand due to banking turmoil in the US and Europe. Bullion rose to an 11-month high on Friday as the dollar weakened and Treasury yields fell. It's up more than 5% this week amid worries about US regional lenders after the collapse of Silicon Valley Bank as well as troubles at Credit Suisse Group AG. Rescue packages in the US and Europe have eased concerns that there will be a full-blown crisis, though risk assets are continuing to suffer. Meanwhile, gold exchange-traded fund holdings rose for four straight days through Thursday and are now at a three-week high. SPDR Gold Shares, the largest gold ETF, is set to record its biggest weekly fund inflow in a year. Focus will now turn to the Federal Reserve's March 21-22 meeting. Investor speculation that the central bank will pause its hiking campaign has dissipated since Wednesday.

❖ Exchange-traded funds added 175,788 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 1.36 million ounces, according to data compiled by Bloomberg. This was the fourth straight day of growth, the longest winning streak since Jan. 26. The purchases were equivalent to $337.4 million at yesterday's spot price. Total gold held by ETFs fell 1.4 percent this year to 92.4 million ounces. State Street's SPDR Gold Shares, the biggest precious-metals ETF, boosted its holdings by 46,490 ounces in the last session. The fund's total of 29.4 million ounces has a market value of $56.5 billion. ETFs cut 5.14 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 3.88 million ounces.

❖ Former Goldman Sachs chief executive Lloyd Blankfein said the Federal Reserve can take a pause hiking interest rates this week as the unfolding bank crisis will effectively tighten lending standards in the economy. Increased scrutiny following the collapse of Silicon Valley Bank and Signature Bank will lead to banks extending less credit on deposits, Blankfein said in an interview on CNN's "Fareed Zakaria GPS" broadcast Sunday. That's while the market is projecting more than a 70% chance the Fed raises rates by 25 basis points when it meets this week, he said. "I personally think it will be OK to stop here," said Blankfein, now senior chairman at Goldman Sachs. "This situation will act in a way that is similar to a rate rise in some ways." Such tightening of lending will translate to less growth and meet the Fed's goals of slowing the economy to keep a lid on price inflation, according to Blankfein. Credit markets have been reeling since the crisis began, with costs jumping and corporate borrowers standing down from issuing new debt. Before the collapse of SVB and the resulting fallout, Fed policy makers were poised to raise rates by as much as 50 basis points as price pressures in the US economy proved sticky. Given the current market volatility, some Fed watchers are expecting a quarter point hike, while others predict a pause as the central bank examines whether the brakes on the economy have been slammed too hard.

❖ The European Central Bank may need to increase borrowing costs by more than 100 basis points before it hits the terminal rate, according to Governing Council member Robert Holzmann. "Some hope that the peak rate will be below 4%, but I fear it will go above 4%," Holzmann told Austrian public broadcaster ORF in an interview aired Saturday. "I am expecting a few more hikes." The ECB earlier this week went ahead with a planned half-point move, raising the deposit rate to 3%. Yet it offered few clues on what may follow amid market turmoil that roiled Credit Suisse Group AG. "The peak rate depends on how stubborn inflation is," Holzmann said. Core inflation is "very, very high," he said. "This means we have to be more persistent than we all would like." The comments by Holzmann, who heads Austria's central bank, comments are in line with fellow hawkish policymakers, who came out in force on Friday to restate the case for lifting rates further. Speaking in a separate Kauppalehti interview published Saturday, Olli Rehn said inflation in the euro area remains too fast and does not appear to be easing enough. The Finnish Governing Council member reiterated the ECB's commitment to "do what is needed to stabilize inflation at the 2% target." Fresh ECB forecasts published Thursday showed inflation slowing more than previously thought this year, alongside stronger underlying price gains that exclude volatile items like food and energy. Meanwhile, Pierre Wunsch of Belgium reiterated the central bank's meeting-by-meeting approach. "If we match the baseline scenario of our projections, we still have a long way to go," he told L'Echo newspaper. "We will have to see, in the coming days, what the impact of what is happening in the United States and with Credit Suisse will be. The base case is that the situation will stabilize and have no impact on the financial markets."

❖ Federal Reserve officials face their biggest challenge in months as they weigh whether to keep raising interest rates this week to cool inflation, or take a pause amid the market turmoil fueled by recent bank failures. Before the collapse of Silicon Valley Bank and the resulting fallout, Fed policy makers were poised to raise rates by as much as 50 basis points after a string of data suggested the economy was much stronger than officials thought at the beginning of the year. Now, given the financial market volatility, many Fed watchers expect a smaller, quarter-point increase, and some say the US central bank will pause altogether after a two-day meeting that starts on Tuesday. The decision follows a 50-basis-point rate hike from the European Central Bank on Thursday. President Christine Lagarde said the ECB remains committed to fighting inflation, while monitoring bank tensions closely. Also highly anticipated from the Fed meeting with be an update to the Summary of Economic Projections — a quarterly report laying out participants' forecasts for everything from inflation to interest rates — and Chair Jerome Powell's post-meeting press conference. Amid the banking sector turmoil, Powell will likely face questions around the central bank's supervision of SVB and other struggling entities. He'll also need to tread carefully when talking about the likely future path of interest rates. Before the banking issues emerged, Fed officials had indicated that rates would need to move above 5% this year and remain there until inflation was on pace to fall back to their 2% target. Yet heightened uncertainty over to what extent bank capitalization issues — exacerbated by the Fed's rapid interest rate increases and the impact on Treasury yields — will impact the broader economy; may limit Powell's ability to tighten much more going forward.

❖ **Fundamental Outlook:** Gold and silver prices are trading slightly lower today on international bourses. We expect precious metals prices on Indian bourses to trade side-ways to slightly lower for the day. We recommend sell on rise in gold and silver in intra-day trading sessions, as investors weighed the impact of a proposed bailout of Credit Suisse Group AG, which eased demand for safe-haven assets.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	April	1875	1899	1920	1950	1975	2000
Silver – COMEX	May	21.75	22.00	22.20	22.40	22.60	22.85
Gold – MCX	April	58750	59000	59200	59380	59500	59750
Silver – MCX	May	67000	67700	68200	68700	69300	70000

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Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
103.71	-0.23	-0.22

Bond Yield

10 YR Bonds	LTP	Change
United States	3.4286	-0.1485
Europe	2.1020	-0.1820
Japan	0.2880	-0.0270
India	7.3400	0.0050

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.2787	0.0476
South Korea Won	1302.8	-10.1000
Russia Rubble	77.0121	-0.5363
Chinese Yuan	6.8867	-0.0113
Vietnam Dong	23587	7
Mexican Peso	18.9099	0.1862

NSE Currency Market Watch

Currency	LTP	Change
NDF	82.74	-0.11
USDINR	82.615	-0.235
JPYINR	62.2825	-0.1925
GBPINR	100.2575	0.4875
EURINR	87.885	-0.0875
USDJPY	132.76	0.1
GBPUSD	1.2135	0.0095
EURUSD	1.0639	0.0023

Market Summary and News

❖ Global markets are bracing for what looks set to be another tumultuous week with a focus on the Federal Reserve's policy response to the US bank turmoil and the fate of Credit Suisse Group AG in Switzerland as rescue talks continued over the weekend. Currencies will give an early indication of investor sentiment, with trading in the Asia-Pacific region set to get under way at about 5 a.m. Sydney time. Traders will watch how the Swiss franc reacts to the flurry of weekend activity that saw rival UBS Group AG considering an acquisition of Credit Suisse while the government weighed taking a stake in the bank. The Swiss currency has lost some of its haven appeal with the country's banking sector being at the center of the financial turmoil. The Japanese yen, which led gains among Group of 10 currencies last week, will give a sense of the flight to safety. Swiss authorities are seeking to push through a takeover of Credit Suisse by UBS, but with the former resisting the $1 billion offer as too low, the risk of some form of nationalization has risen. Meanwhile, Californian authorities are working on a break-up of the collapsed Silicon Valley Bank. The multiple pressure points in the financial system are roiling global markets and leaving the Federal Reserve with a tough choice between carrying on its fight against inflation or taking a pause to prioritize financial stability. Credit Suisse Paths Narrow on Low UBS Bid, Government Aid Talks. Volatility skyrocketed last week as fears spread about the health of the global financial system amid the effects of the Fed's yearlong campaign to fight inflation. Concern about potential contagion sent investors scurrying for haven assets and forced a radical rethink about how tight the Fed — and other central banks — will be able to keep policy. Front-end Treasury yields were whipsawed by more than 20 basis points every day as investors plowed cash into US securities. US bank equities took a beating and technology stocks turned out to be something of a refuge.

❖ China cut the amount of cash banks must keep in reserve at the central bank in an effort to support lending and strengthen the economy's recovery from pandemic restrictions and a property market slump. The People's Bank of China reduced the reserve requirement ratio for almost all banks by 0.25 percentage points, effective from March 27, it said in a statement on Friday. The PBOC last cut the RRR in December, by the same magnitude. Economists said the cut was aimed at ensuring liquidity in the banking system to sustain the rapid pace of lending seen in January and February. The move sends a "clear signal" that the authorities intend to guide financial institutions to better stabilize growth, expand domestic demand and consolidate the recovery, said the Economic Daily, a newspaper affiliated with the State Council, China's cabinet, in a Saturday commentary. The magnitude of the reduction was based on consideration that the RRR is currently at "a relatively low" level and that the monetary policy should remain prudent, according to the article. The PBOC has delivered 14 RRR cuts since 2018, lowering the weighted average ratio for banks to under 8% from nearly 15% and releasing more than 11 trillion yuan ($1.6 trillion) in long-term liquidity, it added. China's consumer spending and investment rebounded in the first two months of the year after pandemic restrictions were dropped in December, according to recent official data. But the recovery remains uncertain, with unemployment still elevated, property investment continuing to contract and falling exports dragging on industrial output.

❖ The dollar weakened against nearly all its Group-of-10 peers as haven bids waned after a US bank rescue plan calmed global jitters. The yen led gains against the greenback. The Bloomberg Dollar Spot Index fell 0.5%, headed for a weekly decline. "It would be very unfortunate if, out of solicitude for the banking system, the Fed were to slow down its rate of interest-rate increase beyond what was appropriate given the credit contraction," Former Treasury Secretary Lawrence Summers said on Bloomberg Television. USD/JPY down 1.5% at 131.71, lowest in a month. The yen is rallying and likely has more to go as investor attention appears to pivot from inflation to growth worries. The Australian and New Zealand dollars were also among best performers. The angst in global markets eased after the biggest US lenders agreed to contribute $30 billion in deposits to First Republic Bank, following a move by the Swiss National Bank to offer liquidity to Credit Suisse Group. The euro rose as much as 0.7% to the day's high of 1.0685; it is poised to end a volatile week higher, adding to two weeks of gains. Attention is turning to next week's Federal Reserve decision, with traders reinstating bets for a quarter-point hike at the meeting, after the European Central Bank delivered a planned 50-basis point increase on Thursday. Given the outlook that the ECB may stop hiking rates before reaching 4%, investors are waiting for more signs on whether other central banks will slow or even pause their tightening campaigns, UniCredit strategists say. "Before taking more directional positions, investors will probably want to see whether stock markets can take a breather and how major central banks, such as the Fed, the SNB and the BOE, will respond to the ECB hike in their respective monetary policy meetings next week," they write in a note. "We expect the Fed to deliver a 25bp hike while noting heightened uncertainty about the path forward, as well as a willingness to alter its balance sheet program," Morgan Stanley economists led by Ellen Zentner wrote in a research note. "Fast-moving markets mean that views ahead of the Fed will need to remain fluid." Economists see one more hike in May.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.1725	82.3025	82.4350	82.6525	82.7350	82.8250

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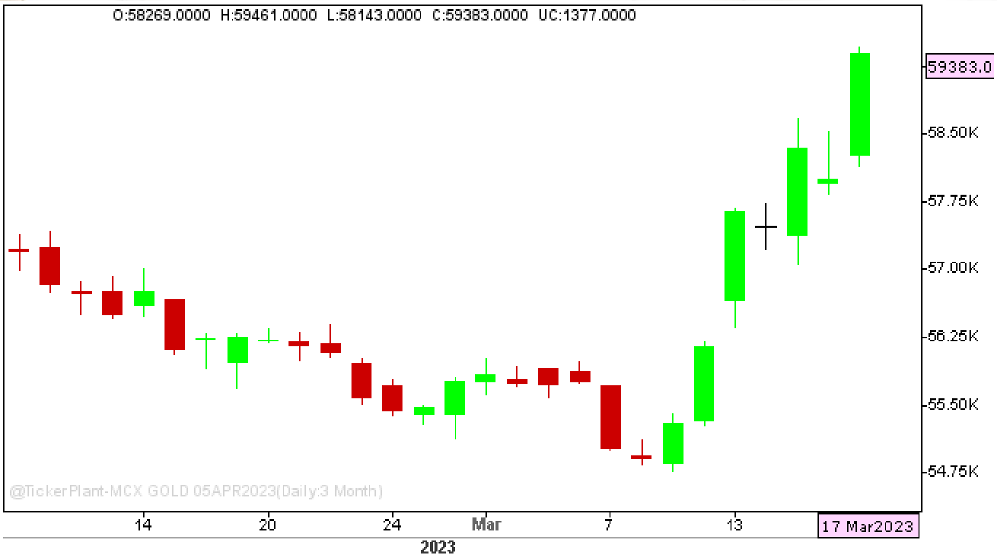
Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



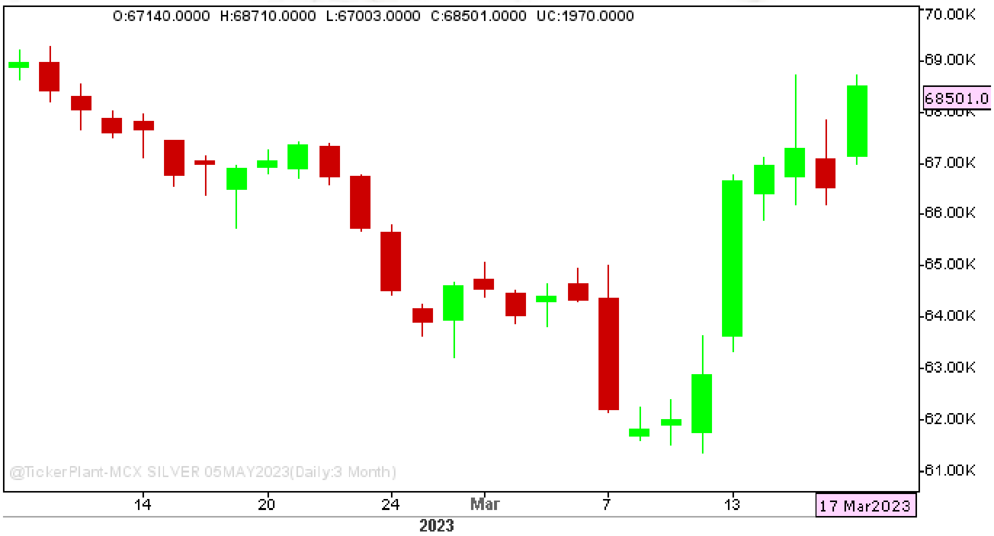
Market View	
Open	58269
High	59461
Low	58143
Close	59383
Value Change	1377
% Change	2.37
Spread Near-Next	583
Volume (Lots)	7736
Open Interest	8926
Change in OI (%)	2.66%

Gold - Outlook for the Day

Gold prices has seen a sharp rally in the recent past and likely to witness some profit takings; so try to sell on rise around $ 2000-2010 for the target of $ 1950-1960.

BUY GOLD APRIL (MCX) AT 59200 SL 59000 TARGET 59500/59750

Silver Market Update



Market View	
Open	67140
High	68710
Low	67003
Close	68501
Value Change	1970
% Change	2.96
Spread Near-Next	882
Volume (Lots)	19147
Open Interest	13417
Change in OI (%)	13.48%

Silver - Outlook for the Day

Silver facing strong resistance around $ 22.80-22.90; try to sell around $ 22.70-22.80 for target of $ 22.20-22.00.

BUY SILVER MAY (MCX) AT 68200 SL 67700 TARGET 69000/69700

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update

Market View	
Open	82.66
High	82.66
Low	82.4725
Close	82.615
Value Change	-0.235
% Change	-0.28
Spread Near-Next	0.205
Volume (Lots)	2809337
Open Interest	2342864
Change in OI (%)	-5.69%

USDINR - Outlook for the Day

USDINR witnessed a gap down open at 82.66 followed by a session in red marking the high at 82.66 with closure near the high. After four consecutive days gain USDINR shows profit taking. The pair taken support of 20-days EMA placed at 82.57. The MACD has given crossover above zero-line, indicating a positive sign. The momentum indicator RSI is trailing between 55-60 on the daily chart shows positive for the pair. We are anticipating USDINR March futures to trade in the range of 82.45–82.80 for today.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR March	82.2050	82.3525	82.4550	82.7075	82.8025	83.0350

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