

Daily Bullion Physical Market Report

Date: 20th May 2025

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	93619	93785
Gold	995	93244	93409
Gold	916	85755	85907
Gold	750	70214	70339
Gold	585	54767	54864
Silver	999	95250	95755

Rate as exclusive of GST as of 19th May 2025 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
19 th May 2025	93785	95755
16 th May 2025	92301	94606
15 th May 2025	92365	94572
14 th May 2025	93859	96400

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	JUN 25	3233.50	46.30	1.45
Silver(\$/oz)	JUL 25	32.51	0.15	0.47

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	918.73	-8.89
iShares Silver	13,914.90	-56.56

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	3239.05
Gold London PM Fix(\$/oz)	3230.15
Silver London Fix(\$/oz)	32.52

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	JUN 25	3234.5
Gold Quanto	JUN 25	93317
Silver(\$/oz)	JUL 25	32.50

Gold Ratio

Description	LTP
Gold Silver Ratio	99.47
Gold Crude Ratio	51.58

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	148255	37381	110874
Silver	43560	15100	28460

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	21360.83	154.82	0.72 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
20 th May 10:30 PM	United States	FOMC Member Musalem Speaks	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

□ Gold rose on Monday as the dollar tumbled after Moody's Ratings stripped the US of its last top credit rating due to ballooning debt and deficits. Moody's blamed successive administrations and Congress for swelling budget deficits that it said show little sign of abating. And there's concern the situation could get worse, with Republican lawmakers discussing a tax and spending package from US President Donald Trump that critics say would add trillions more to the federal debt over the coming decade. The precious metal has experienced swings in recent months. It suffered the biggest weekly loss since November last week on easing geopolitical tensions, after a blistering rally that saw it climb above \$3,500 an ounce for the first time last month. Gold is still up by more than one-fifth this year, driven by global conflicts, Trump's tariff spree and inflows to exchange-traded funds. "We expect gold to be volatile in the short term as we see a mix of good and bad news headlines," said Vasu Menon, managing director of investment strategy at Oversea-Chinese Banking Corp. In the long run, Trump's policies and diversification away from dollar-denominated assets are "structural tailwinds for gold that could see it scaling new heights in the coming years," he said.

□ Dollar weakness is set to boost gold, at least in the short term. Bullion is attempting a nascent rebound after losing nearly 4% of its value last week. This needs to be viewed within the context of a rally that has seen a doubling in the price of gold since late 2022. Since then, the precious metal has defied real rates and instead soared on the back of a weaker dollar. (Bullion has a negative correlation with the dollar since the precious metal is priced in the US currency.) So with the dollar once again on the back foot after Moody's downgraded the US credit rating last week, gold should be well supported at its current levels. Meanwhile, Iran's latest comments to uphold its pursuit of nuclear energy, will also drive demand for bullion as investors seek haven assets. While the metal pulled back sharply after briefly touching \$3,500 an ounce last month, there doesn't seem to be a radical shift in options' positioning, with the ratio of puts to calls not much more elevated than it has been through the early stages of this rally. While my long-term view is for gold to come down from current levels, I still see room for increases in the short term. Some of the biggest gains have come during times of economic distress, and there is no denying that the to-and-fro on tariffs will take a toll on the US economy. That, according to option markets, puts the Federal Reserve on course to deliver two rate cuts by December, a positioning that will support gold through perhaps the remainder of the year.

□ Gold markets could be a source of danger to the euro zone's financial stability in the event of geopolitical stress, the European Central Bank said. Demand for physical settlement, the dominance of large-scale traders and opaque transactions all combine to pose a wider threat if things go awry, four staff economists wrote in a note published on Monday that will feature in a bigger risk report scheduled for Wednesday. "Should extreme events materialize, there could be adverse effects on financial stability arising from gold markets," they wrote. "Vulnerabilities have arisen because commodity markets tend to be concentrated among a few large firms, often involve leverage and have a high degree of opacity deriving from the use of OTC derivatives." Gold surged to a record above \$3,500 an ounce last month in the wake of US President Donald Trump's global tariffs. While it has since retreated, suffering the biggest weekly loss since November last week, the ECB economists identify lingering reasons for concern. "Margin calls and the unwinding of leveraged positions could lead to liquidity stress among market participants, potentially propagating the shock through the wider financial system," they wrote. "Additionally, disruptions in the physical gold market could increase the risk of a squeeze." Demand for the metal in the US in anticipation of Trump's tariffs already caused a logjam at the Bank of England's vaults earlier this year, and prompted a surge in Switzerland's trade surplus with the US because of the need for refining to recast bullion shifting from London to New York.

□ Two Federal Reserve officials, including New York Fed chief John Williams, suggested policymakers may not be ready to lower interest rates before September as they confront a murky economic outlook. "It's not going to be that in June we're going to understand what's happening here, or in July," Williams said Monday at a conference organized by the Mortgage Bankers Association. "It's going to be a process of collecting data, getting a better picture, and watching things as they develop." The Fed's next three meetings are in June, July and September. Investors now see less than a 10% chance of a rate cut when policymakers next meet June 17-18 in Washington. Based on pricing in fed funds futures, investors expect two quarter-point reductions by year's end, down from the four seen at the end of April. Atlanta Fed President Raphael Bostic struck a similar tone in an interview with Bloomberg Television on Monday, signaling an unwillingness to move rates for some time. If the Trump administration's ongoing trade negotiations drag on, "that starts to push much further into the summer, in which case we won't actually know what the true effects are going to be for several months after that," Bostic told Bloomberg's Michael McKee. Williams, like many of his colleagues, said the Fed can take its time in assessing new data. While he acknowledged inflation has been coming down and the economy is close to full employment, he's monitoring delinquencies and the appetite for consumer spending. He also described the Fed's current policy setting as "slightly restrictive" and in a good place. Fed Vice Chair Philip Jefferson also emphasized a wait-and-see approach at the Atlanta Fed's 2025 Financial Markets Conference Monday. He said it's important for the Fed to make sure any potential increase in prices doesn't evolve into a sustained rise in inflation. Minneapolis Fed President Neel Kashkari — also speaking on Monday — noted the US economy was on solid footing in the early part of this year, and that the central bank has made a lot of progress on lowering inflation. He said tariffs, however, have thrown policymakers a "curve ball," leaving policymakers on hold for now.

Fundamental Outlook: Gold and silver prices are trading slightly lower today on the international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly lower for the day, as the haven-demand boost from Moody's Ratings downgrade of the US faded, and attention turned back to the easing of trade tensions between the two largest economies.

Key Market Levels for the Day

Bullion	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	June	3150	3180	3210	3230	3255	3280
Silver – COMEX	July	32.00	32.20	32.35	32.50	32.70	33.00
Gold – MCX	June	92200	92500	92800	93000	93400	93800
Silver – MCX	July	93700	94300	95000	95500	96200	97000

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
100.43	-0.67	-0.66

Bond Yield

10 YR Bonds	LTP	Change
United States	4.4474	-0.0296
Europe	2.5870	-0.0020
Japan	1.4890	0.0260
India	6.2900	0.0220

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.6521	-0.0130
South Korea Won	1390.7	-11.0500
Russia Rubble	80.5545	-0.5093
Chinese Yuan	7.2138	0.0002
Vietnam Dong	25948	26.0000
Mexican Peso	19.3129	-0.1583

NSE Currency Market Watch

Currency	LTP	Change
NDF	85.54	0.1100
USDINR	85.4625	-0.1550
JPYINR	59.02	0.1200
GBPINR	114.465	0.6400
EURINR	96.3725	0.3875
USDJPY	144.86	-0.5400
GBPUSD	1.3381	0.0087
EURUSD	1.1272	0.0072

Market Summary and News

Indian bonds fall as RBI buys less debt than plan at OMO auction. The rupee ends higher. USD/INR down 0.1% to 85.4025; up 0.2% last week; 10-year yield up 2bps to 6.29%; fell 11bps last week; 15-year yield up 2bps to 6.42%; RBI buys 192b of bonds versus 250b rupees plan at OMO purchase. India's central bank switched 198.5b rupees of shorter debt to longer debt versus total 280b rupees plan: statement. RBI adds 51.7b rupees via variable daily repo auction as against 250b rupees plan; cutoff rate is 6.01%. The Indian rupee gained ground as the greenback softened against a spectrum of leading global currencies, says Dilip Parmar, currency strategist at HDFC Securities. The ICE dollar index witnessed a downturn subsequent to Moody's rating agency's downward revision of the United States' sovereign credit rating by one notch. Moreover, the infusion of foreign fund inflows into Indian equity markets lent further strength to the domestic currency. In the short run, the USD/INR spot rate is expected to find a support level at 85.25 and encounter resistance around 85.87. USD/INR will likely be supported around 85.00, its 200-day moving average, in the short-term, Barclays analysts including Erick Martinez wrote in a note. Foreign portfolio investment into equities has been muted as investors became more cautious towards Indian assets amid the India-Pakistan conflict. With some level of calmness restored, growth supportive policy from the RBI and falling inflation that sets the stage for more rate cuts should encourage foreign flows into both equities and bonds. RBI is likely to continue to focus on trimming its short forward book and replenish its FX buffers, likely leaning against any material INR appreciation, while staying vigilant should there be any significant pressure on INR to the downside. Indian states to sell 148b rupees of bonds Tuesday. India's foreign exchange reserves rose to \$690.62b in the week of May 9 from \$686.06b in the week of May 2, according to the RBI.

Emerging-market currencies advanced on Monday as the dollar took a hit after Moody's Ratings cut the US credit rating. The MSCI gauge for emerging FX climbed as much as 0.2%, before reversing most of the gains by the close. Federal Reserve officials signaled they may not be ready to lower interest rates before September. The Romanian leu lead the advance after Nicusor Dan, the centrist mayor of Bucharest, won the presidential vote, defeating a far right candidate. The leu rose 1.2% against the euro, the biggest jump since 2022; Romania's dollar bonds also rallied, topping gains among EM peers. Eastern and Central European currencies led the advance, as the common currency gained ground against the dollar following Moody's downgrade of the US. Elsewhere, the Brazilian real erased earlier losses, advancing as much as 0.6% after central bank governor Gabriel Galipolo said borrowing costs must stay higher for longer. Asian currencies lagged peers amid growth spillover concerns after some of China's economic data missed estimates. Polish bond yields jumped after a stronger-than-expected showing by opposition populists in the first round of the presidential election, boding badly for the pro-European government and its centrist candidate. The currency weakened earlier, but then rebounded against both the euro and the dollar amid increased global appetite for riskier assets. MSCI's EM stocks declined for a third day, with the benchmark falling 0.5% on Monday. Morgan Stanley Investment Management, AQR Capital Management, Bank of America Corp. and Franklin Templeton are among those betting the tables may finally be turning in favor of developing-market equities, seeing better returns after missing out for years as US stocks soared.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR SPOT	85.0575	85.1525	85.2525	85.5075	85.6025	85.7075

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	93024
High	94031
Low	92800
Close	93297
Value Change	856
% Change	0.93
Spread Near-Next	815
Volume (Lots)	10614
Open Interest	10158
Change in OI (%)	-5.60%

Gold - Outlook for the Day

SELL GOLD JUNE (MCX) AT 93000 SL 93400 TARGET 92500/92200

Silver Market Update



Market View	
Open	95499
High	96250
Low	95313
Close	95453
Value Change	135
% Change	0.14
Spread Near-Next	1331
Volume (Lots)	8177
Open Interest	20912
Change in OI (%)	-2.10%

Silver - Outlook for the Day

SELL SILVER JULY (MCX) AT 95800 SL 96500 TARGET 94800/94300

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	85.5200
High	85.6700
Low	85.3900
Close	85.4625
Value Change	-0.1550
% Change	-0.1810
Spread Near-Next	0.4058
Volume (Lots)	339788
Open Interest	958779
Change in OI (%)	-18.31%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 85.38, which was followed by a session where price showed consolidation with negative buyer with candle enclosure near low. A small red candle has been formed by the USDINR price, where price taken support 10-days moving averages placed at 85.39. On the daily chart, the MACD showed a positive crossover below zero-line, while the momentum indicator RSI trailing between 42-49 levels showed negative indication. We are anticipating that the price of USDINR futures will fluctuate today between 85.30 and 85.68.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR MAY	85.1875	85.2850	85.3825	85.5750	85.6575	85.7850

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