

Daily Bullion Physical Market Report

Date: 22nd April 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	73596	73404
Gold	995	73301	73110
Gold	916	67414	67238
Gold	750	55197	55053
Gold	585	43054	42941
Silver	999	83113	82853

Rate as exclusive of GST as of 19th April 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
19 th April 2024	73404	82853
18 th April 2024	73477	83327
16 th April 2024	73302	83213
15 th April 2024	72813	83452

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	JUN 24	2413.80	9.60	0.40
Silver(\$/oz)	JUL 24	29.13	-0.02	-0.06

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	827.59	0.00
iShares Silver	13,019.00	-113.74

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2381.80
Gold London PM Fix(\$/oz)	2379.70
Silver London Fix(\$/oz)	28.24

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	JUNE 24	2394.9
Gold Quanto	JUNE 24	72703
Silver(\$/oz)	MAY 24	28.34

Gold Ratio

Description	LTP
Gold Silver Ratio	82.87
Gold Crude Ratio	29.03

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	198276	25415	172861
Silver	60484	19522	40962

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	18457.78	36.89	0.20 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
22 nd April 09:00 PM	Europe	ECB President Lagarde Speaks	-	-	Medium

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold pared gains as demand for safe-haven assets eased after Iranian media seemed to downplay the effect of Israeli strikes, indicating a lowering of geopolitical risk. Israel reportedly struck back at Iran on Friday morning, hitting a military site in a drone operation that was limited in scale and seemed to cause little damage. Bullion was up 0.6% at midday in New York after earlier rising as much as 1.6% on concerns over a wider regional conflict in the Middle-East roiled global markets. Appetite for safe havens such as the dollar and Treasuries also waned. The precious metal is on course for a fifth straight weekly gain, the longest winning streak since January 2023. That's despite the fact that the dollar and bond yields have risen strongly while expectations for rate cuts in 2024 have slumped.

❖ Gold's rise to all-time highs above \$2,400 an ounce this year has captivated global markets. China, the world's biggest producer and consumer of the precious metal, is front and center of the extraordinary ascent. Worsening geopolitical tensions, including war in the Middle East and Ukraine, and the prospect of lower US interest rates all burnish gold's billing as an investment. But juicing the rally is unrelenting Chinese demand, as retail shoppers, fund investors, futures traders and even the central bank look to bullion as a store of value in uncertain times. China and India have typically vied over the title of world's biggest buyer. But that shifted last year as Chinese consumption of jewelry, bars and coins swelled to record levels. China's gold jewelry demand rose 10% while India's fell 6%. Chinese bar and coin investments, meanwhile, surged 28%. And there's still room for demand to grow, said Philip Klapwijk, managing director of Hong Kong-based consultant Precious Metals Insights Ltd. Amid limited investment options in China, the protracted crisis in its property sector, volatile stock markets and a weakening yuan are all driving money to assets that are perceived to be safer. "The weight of money available under these circumstances for an asset like gold - and actually for new buyers to come in - is pretty considerable," he said. "There isn't much alternative in China. With exchange controls and capital controls, you can't just look at other markets to put your money into." Although China mines more gold than any other country, it still needs to import a lot and the quantities are getting larger. In the last two years, overseas purchases totaled over 2,800 tons — more than all of the metal that backs exchange-traded funds around the world, or about a third of the stockpiles held by the US Federal Reserve.

❖ State Bank of Vietnam will resume auctions of gold bars after over a decade as it seeks to boost supply of the precious metal amid record high prices. An auction has been set for April 22, according to Dao Xuan Tuan, head of the central bank's foreign exchange management department. The central bank's last gold auction was in December 2013. "This can help calm the local gold market" in the short term, Hanoi-based economist Nguyen Tri Hieu said in a phone interview. Still, "the impact will depend on how much gold the central bank can sell." Gold has been setting a series of records this year as tensions in the Middle East and Russia's war in Ukraine bolstered the metal's role as a haven asset. The surge in price hasn't deterred the demand in Vietnam, driving local premium over the international rate to as much as 15 million dong (\$590) per tael earlier this year. Prime Minister Pham Minh Chinh has been urging the central bank for steps to stabilize the domestic market. The gap between local and international prices must be narrowed "to avoid adverse developments," Chinh said this month, asking the central bank to step up measures to calm the market. The central bank, in a statement, said it will offer to sell 16,800 taels of gold on April 22. Each of the 15 qualified organizations, which include commercial banks and gold companies, can only buy a maximum of 2,000 taels. The price of gold in Vietnam reached an all-time high this week. It was trading at 83.8 million dong (\$3,293.51) per tael, or about \$2,744 per ounce, on Friday.

❖ Higher-than-expected interest rates amid persistent inflation are perceived as the biggest threat to financial stability among market participants and observers, according to the Federal Reserve. "The risk of persistent inflationary pressures leading to a more restrictive than expected monetary policy stance remained the most frequently cited risk," the Fed said in its semiannual Financial Stability Report published Friday. The report includes results from a survey of financial-market contacts as well as the central bank's assessment of risks in four main areas, including asset valuations, borrowing by businesses and households, leverage in the financial sector and funding risks. The banking sector "remained sound and resilient overall, and most banks continued to report capital levels well above regulatory requirements" since the release of the last report in October, the Fed wrote. But the central bank flagged that "available data suggest that hedge fund leverage grew to historic highs, driven primarily by borrowing by the largest hedge funds." US agencies have been sounding the alarm on leverage tied to hedge funds. In February, US Securities and Exchange Commission Chair Gary Gensler said he's concerned about "where the banking sector and the non-banking sector come together." Losses from commercial real estate loans, which have been under pressure amid the increase in remote work over the past few years, were seen as less of a threat now than last year, according to the survey of Fed contacts, which was conducted at the beginning of 2024. In the report, the Fed said business and household balance sheets remained healthy, but called attention to households with low credit scores. "Homeowners have solid equity cushions, and many households continued to benefit from lower interest rate payments associated with refinancing or home purchases several years ago," the Fed said. "That said, some borrowers continued to be financially stretched, and auto loan and credit card delinquencies for nonprime borrowers increased." The central bank said some smaller lenders are still facing pressure from losses on fixed-rate assets. The Fed and other financial regulators last year grappled with the failures of several regional banks, including Silicon Valley Bank. The Fed highlighted several vulnerabilities in funding markets, particularly among smaller banks and some money market mutual funds, and said that Treasury market liquidity was at the low end of its historical range.

Fundamental Outlook: Gold and silver prices are trading lower today on the international bourses. We expect gold and silver prices to trade range-bound to slightly lower for the day, as gold prices edged lower as geopolitical tensions eased in the Middle East, paring haven demand, and traders looked ahead to US data that will shed light on the outlook for monetary policy.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	June	2330	2355	2380	2400	2420	2450
Silver – COMEX	May	27.70	28.00	28.30	28.45	28.65	28.80
Gold – MCX	June	71800	72050	72350	72650	72900	73150
Silver – MCX	May	81700	82300	82800	83200	84000	84600

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
106.15	0.20	0.19

Bond Yield

10 YR Bonds	LTP	Change
United States	4.6207	-0.0119
Europe	2.4990	0.0030
Japan	0.8510	-0.0180
India	7.2280	0.0400

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.2021	-0.0464
South Korea Won	1382.3	9.2000
Russia Rubble	93.109	-0.8718
Chinese Yuan	7.2393	0.0006
Vietnam Dong	25430	48
Mexican Peso	17.0948	0.0269

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.49	-0.13
USDINR	83.485	-0.0575
JPYINR	54.0625	-0.085
GBPINR	103.89	-0.36
EURINR	88.92	-0.29
USDJPY	154.23	-0.08
GBPUSD	1.2455	-0.0019
EURUSD	1.0648	-0.0025

Market Summary and News

❖ Indian bonds fell, hit by worries around the risk of a wider war in the Middle East and expectations that central bank interest rate cuts globally will be pushed back. The Indian rupee set a fresh record low for the second time this week before reversing early losses. USD/INR fell 0.1% to 83.4700, after touching a record 83.5750 in earlier trade. 10-year yields climbed 4bps to 7.23% through Friday, marking a third straight week of increase. "Escalation of geopolitical tensions in the Middle East, and consequent sustained rise in oil prices is a key risk," said Nagaraj Kulkarni, co-head of Asia rates ex-China at Standard Chartered in Singapore. Indian government bonds should still remain a "relative outperformer" among emerging market local currency debt. Global backdrop for fixed income turned unfavorable with unwinding of rate cut expectations in the US. "For select economies, the recent market turmoil has arguably shifted the discussion away from easing to whether rate hikes are needed to defend the currency and stem domestic and foreign portfolio outflows," Jennifer Kusuma, senior Asia rates strategist at ANZ, wrote in a note. Considering rising geopolitical tensions, "not many economies, outside of China and possibly India, would be spared the broad-based deterioration in the balance of payments and rise in inflation from elevated commodity prices and US interest rates."

❖ The greenback is up for a second week as investors turn cautious amid fears a Middle East conflict may escalate and as technology shares slide ahead of earnings next week. The Bloomberg Dollar Spot Index advanced as much as 0.6% Friday before paring gains amid reports Israel launched a retaliatory strike on Iran; index is up 0.4% on the week as carry positions are pressured. The yield on US 10-year notes dropped 2 basis points to 4.61%. Demand is strong but the US economy isn't showing signs of running too hot, according to Federal Reserve Bank of Richmond President Tom Barkin. Federal Reserve Bank of Chicago President Austan Goolsbee said progress on inflation has stalled, meriting a pause to allow incoming data to provide more insight into how the economy evolves. WTI crude is up 0.6% at \$83.27/barrel while gold rises 0.6% to \$2393/oz. Demand for long-gamma exposure stayed intact as weekend risks make case for hedging; weekly CFTC data showed futures traders are the most bullish on the dollar since 2019. "A strong dollar is not a US problem and reflects fundamentals. FX carry is once again delivering but returns are accruing from funders rather than high yielders and being led by DM," says JPMorgan's FX strategy team in its weekly report, recommends staying long versus Swiss franc, euro, loonie and offshore yuan. USD/JPY little changed at 154.63; pair is up 0.9% on the week, rising for a third week. MXN/JPY is down 0.4% after sliding as much as 6.1%, most intraday since March 2020, during Tokyo hours on signs Japanese retail investors sold the peso in thin liquidity; Click365 open interest in Tokyo-based peso futures was highest in over year prior to sell-off. One-week volatility is set to close at 9.7% ahead of next week's Bank of Japan meeting, near a one-month high; about \$4.2 billion of 155 strikes roll off next week: DTCC. EUR/USD up 0.1% at 1.0652, matching its weekly gain after the 1.06 support level holds. European Central Bank President Christine Lagarde highlighted both up and downside risks to inflation as she reiterated her institution's stance on a potential reduction of interest rates. The European Central Bank has a clear case to lower interest rates twice, but what happens after that is difficult to predict because of uncertainty over domestic inflation pressures, Governing Council member Pierre Wunsch said. GBP/USD slips 0.3% to 1.2397 and is down 0.5% on the week. Bank of England policymaker Catherine Mann said the fragmenting global economy will leave countries more exposed to inflation shocks in future, posing a test for central banks. Bank of England Deputy Governor Dave Ramsden signaled he is less concerned about UK inflation than in previous months, a sign he may be willing to support interest rate cuts.

❖ The Mexican peso was among the worst emerging-market currencies Friday amid heightened geopolitical tensions in the Middle East. The peso pared most losses at close, weakening 0.2% on the day after plummeting almost 7% earlier. MXN posted a 2.8% weekly loss, the worst since September. A measure of implied volatility in the currency hovers at the highest since October. The broader EM currencies gauge also trimmed its decline after hitting the lowest level since November on reports that Israel struck back at Iran. MSCI's benchmark for EM stocks dropped to a two-month low following the latest Middle East flare-up. VWO, an emerging-market ETF, was down just 0.3%, though, after the appetite for riskier assets improved as media from both countries appeared to downplay the severity of the incident. The shekel was up 0.8% after having weakened just as much earlier on the attack reports. Chile's peso and the Peruvian sol were among the biggest gainers for the session as copper prices advanced. The Brazilian real was the second-biggest gainer after local media reported the government is likely to favor distributing the state-owned oil driller's entire dividend, improving the outlook for government revenue. BRL is still down for the week as it got hit by fiscal concerns earlier in the week. Brazil Politics: Congress Crisis Creates Fiscal Worries for Lula. Ghana bonds outperformed sovereign peers; Director of the African Department at the International Monetary Fund said discussions between Ghana and creditors are ongoing.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.4825	82.5875	82.6855	82.8075	82.9050	82.9875

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	72718
High	72955
Low	72309
Close	72806
Value Change	123
% Change	0.17
Spread Near-Next	-45
Volume (Lots)	9239
Open Interest	21118
Change in OI (%)	-1.53%

Gold - Outlook for the Day

BUY GOLD JUNE (MCX) AT 72350 SL 72050 TARGET 72700/72900

Silver Market Update



Market View	
Open	83795
High	83795
Low	82736
Close	83507
Value Change	234
% Change	0.28
Spread Near-Next	1639
Volume (Lots)	14675
Open Interest	22733
Change in OI (%)	-2.38%

Silver - Outlook for the Day

BUY SILVER MAY (MCX) AT 82800 SL 82300 TARGET 83500/83800

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.5725
High	83.6
Low	83.4
Close	83.485
Value Change	-0.0575
% Change	-0.0688
Spread Near-Next	0.1
Volume (Lots)	716514
Open Interest	3057350
Change in OI (%)	2.20%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 82.85, which was followed by a session that showed strong selling from higher level with negative buyer with candle closures near low. A long red candle formed by the USDINR price facing resistance 10-days moving average placed at 82.92. On the daily chart, the momentum indicator RSI entered in over sold-level while MACD has made a negative crossover below the zero-line. We are anticipating that the price of USDINR futures will fluctuate today between 82.60 and 82.75.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR April	82.3525	82.4575	82.5875	82.7525	82.8525	82.9575

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