

Daily Bullion Physical Market Report

Date: 23th January 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	62207	62390
Gold	995	61958	62140
Gold	916	56982	57149
Gold	750	46655	46793
Gold	585	36391	36498
Silver	999	71073	71228

Rate as exclusive of GST as of 19th January 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
19 th January 2024	62390	71228
18 th January 2024	61970	70898
17 th January 2024	62277	71191
16 th January 2024	62608	71666

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 24	2041.60	-7.00	-0.34
Silver(\$/oz)	MAR 24	22.30	-0.41	-1.83

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	860.95	-1.15
iShares Silver	13,452.06	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2023.90
Gold London PM Fix(\$/oz)	2021.60
Silver London Fix(\$/oz)	22.20

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	FEB. 24	2021.7
Gold Quanto	FEB. 24	62024
Silver(\$/oz)	MAR. 24	22.18

Gold Ratio

Description	LTP
Gold Silver Ratio	91.57
Gold Crude Ratio	27.31

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	146608	45974	100634
Silver	31532	25502	6030

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	16013.66	-56.17	-0.35 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
23 rd January 08:30 PM	Europe	Consumer Confidence	-14	-15	Low
23 rd January 08:30 PM	United States	Richmond Manufacturing Index	-7	-11	Medium

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold fell further after last week's slide as markets dialed back expectations of how soon the Federal Reserve will pivot to interest-rate cuts. Most Treasury yields stood at elevated levels after robust economic data last week signaled looser monetary policy won't be imminent. Swaps markets are pricing in a 41% chance of a cut in March, down from almost 70% a week ago. Higher borrowing costs and yields are typically negative for non-interest bearing bullion. Despite a hawkish reprising in rates markets, "strong physical market demand ahead of Chinese New Year alongside signs of speculative buying activity out of China are offering notable offsets to the traditional macroeconomic indicators that traders typically look for in gold," TD Securities commodity strategist Daniel Ghali wrote in a note.

❖ Money managers have decreased their bullish gold bets by 5,654 net-long positions to 100,634, weekly CFTC data on futures and options show. The net-long position was the least bullish in more than two months. Long-only positions fell 3,866 lots to 146,608 in the week ending Jan. 16. The long-only total was the lowest in almost three months. Short-only positions rose 1,788 lots to 45,974. The short-only total was the highest in five weeks. Money managers have decreased their bullish silver bets by 1,856 net-long positions to 6,030, weekly CFTC data on futures and options show. The net-long position was the least bullish in 10 weeks. Long-only positions fell 433 lots to 31,532 in the week ending Jan. 16. The long-only total was the lowest in 10 weeks. Short-only positions rose 1,423 lots to 25,502. The short-only total was the highest in almost three months.

❖ Exchange-traded funds cut 16,341 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 1.08 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$33.2 million at the previous spot price. Total gold held by ETFs fell 1.3 percent this year to 84.5 million ounces, the lowest level since Jan. 31, 2020. Gold declined 1.6 percent this year to \$2,029.49 an ounce and rose by 0.3 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 37,060 ounces in the last session. The fund's total of 27.7 million ounces has a market value of \$56.2 billion. ETFs also cut 689,338 troy ounces of silver from their holdings in the last trading session, bringing this year's net sales to 5.47 million ounces. This was the third straight day of declines.

❖ Bill Gross has some advice for the Federal Reserve: stop winding down its balance sheet now, and start cutting interest rates in coming months to avoid recession. "I would stop quantitative tightening," the co-founder and former chief investment officer of Pacific Investment Management Co. said on Bloomberg Television when asked what he would do differently if he were leading the Fed. "That is just not a correct philosophy and policy at this point in time to continue to tighten quantitatively." Pimco co-founder Bill Gross says the Fed "has not done well" and should lower rates so the economy does not go into a significant recession. Gross added that the central bank should lower interest rates over the next six to 12 months. Wall Street is keenly focused on when exactly the Fed will start trimming the benchmark interest rate, which is at the highest in over 20 years. Some derivatives traders are still holding out hope for a cut as soon as March, US policymakers next meet on Jan. 31. "Real interest rates are simply too high," Gross added. Yields on 10-year inflation-linked bonds, which are viewed as a measure of the true cost of borrowing, surged to a 15-year high of 2.6% in October, before sliding down to about 1.8%, currently. Gross said he'd like to see the yields fall to about 1% to 1.5%, so that "the economy will not go into a significant recession." In a wide ranging interview, Gross reiterated some of his previous calls, including those stocks are too expensive relative to the level of real yields. Instead of high-flying tech shares, he prefers more conservative investment strategies, including certain high-dividend stocks like banks and tobacco companies, as well as merger and acquisition arbitrage.

❖ The curious strength of the euro-area labor market is driving the European Central Bank's push against expectations of impending interest-rate cuts. Defying economic textbooks, unemployment just hit a record low amid what's shaping up to be a first recession since the pandemic. The accompanying jump in pay means officials can't sound the all-clear on inflation — despite it plummeting to less than 3%. President Christine Lagarde said last week in Davos that wage growth could have a "serious impact" on the ECB's plans. Like many of her colleagues, she wants to "see the data" on salaries for 2024 before lowering borrowing costs — a message she's likely to hammer home when she speaks to reporters following Thursday's policy decision. Those numbers will only arrive in the spring, however — beyond when investors reckon the ECB will start easing. And such is the mystery around the jobs market that its resilience may yet extend for even longer, potentially further delaying rate cuts. "The direction of travel is toward easing of the labor market, but even in the most affected parts — like Germany — it's astonishing how slowly that is happening," said Soeren Radde, head of European economic research at asset manager Point72. "It's plausible that wage growth will normalize. My fear is that it will take even longer than the ECB is forecasting."

Fundamental Outlook: Gold and silver prices are trading flat today on the international bourses. We expect gold and silver prices to trade range-bound to slightly lower for the day, as gold prices held Monday's loss, with traders eyeing robust economic data in the US last week that dampened hopes for an early Federal Reserve pivot to monetary easing.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	Feb	1978	2000	2020	2035	2050	2070
Silver – COMEX	Mar	21.60	21.85	22.10	22.35	22.50	22.70
Gold – MCX	Feb	61550	61700	61900	62050	62250	62500
Silver – MCX	Mar	69400	70000	70800	71200	71850	72250

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
103.33	0.04	0.04

Bond Yield

10 YR Bonds	LTP	Change
United States	4.1052	-0.0173
Europe	2.2890	-0.0510
Japan	0.6580	-0.0100
India	7.1790	0.0000

Emerging Market Currency

Currency	LTP	Change
Brazil Real	4.9852	0.0553
South Korea Won	1338.8	-0.1000
Russia Rubble	88.0454	0.0897
Chinese Yuan	7.1909	-0.0025
Vietnam Dong	24557	7
Mexican Peso	17.1839	0.0992

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.22	-0.02
USDINR	83.085	-0.075
JPYINR	56.24	-0.1125
GBPINR	105.375	-0.13
EURINR	90.4775	-0.1225
USDJPY	148.5	0.81
GBPUSD	1.2699	0.0008
EURUSD	1.0889	-0.0006

Market Summary and News

❖ A Bloomberg gauge of the dollar edged higher Monday as Treasury yields pared declines. The yen erased gains seen earlier in the session as traders look ahead to the conclusion of the Bank of Japan's policy meeting on Tuesday. The Bloomberg Dollar Spot Index gains 0.1% with the greenback mixed against G-10 peers; the index earlier slipped as much as 0.1%. US 10-year Treasury yield down 1.5 basis points to 4.11%. "I continue to think the USD can strengthen a little more in the next few weeks as the short-end of the US curve reprices March Fed risks further," said Shaun Osborne, chief foreign-exchange strategist at Scotiabank. "Seasonals and technicals also lean toward the idea of the USD gaining a little more strength through Q1." USD/JPY little changed; earlier fell as much as 0.3% to session low of 147.62. Traders seen scaling back yen shorts vs EM FX prior to BOJ, while options and charts suggest market is under-positioned for a yen rebound. Yen has tumbled more than 4% against the dollar so far in 2024; "The relationship of JPY to inflation has a lag but it also has political and wage implications," wrote Bob Savage, head of markets strategy and insights at BNY Mellon Capital Markets, in a Sunday note to clients. "The Bank of Japan is likely to start to take note." EUR/USD slips 0.2% to day's low 1.0880, USD/CAD gains 0.3% to high of 1.3475. The European Central Bank and the Bank of Canada also meet this week; one-week implied volatility in EUR/USD trades at 5.77% and at 4.97% in USD/CAD, both below past-year averages. Antipodeans leading G-10 losses against dollar; AUD/USD down 0.4% to low 0.6568 while NZD/USD falls 0.5% to 0.6080 session low, weakest intraday mark since Nov. 28. A strip of FX option strikes layered 0.6565/75/80, worth a collective A\$3.89b and expiring Jan. 24, may provide liquidity on dips.

❖ Emerging-market stocks fell on Monday, triggered by a selloff in China and a continued repricing of US interest rate cut bets. Brazilian assets underperformed as an ambitious plan to revive the nation's industrial sector stoked concerns about the nation's fiscal accounts, while developing-nation borrowers continued to tap debt markets. The MSCI stock gauge for developing nations dropped 0.7%, headed for a 5.9% decline in January; a rout in Chinese stocks listed in Hong Kong intensified, pushing their discount to mainland peers to the deepest in 15 years. The EM measure for currencies was little changed. The Brazilian real led losses among its peers, dropping 1.1% as the government announced plans to spend BRL 300 billion in an industrial incentives plan. The country's sovereign bonds were among the worst performers Monday. Changes at state-run oil giant Petroleo Brasileiro SA also hit sentiment; Brazil and Saudi Arabia's sovereign wealth fund joined a deluge of EM debt deals; Ivory Coast is beginning the process of marketing a Eurobond. Argentina announced the privatization of state-run oil company YPF is no longer included in the sweeping reforms President Javier Milei is trying to get approved by the country's congress. YPF ADRs were up less than 0.1% in New York after falling sharply before the start of regular trading.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.9025	82.9575	83.0055	83.1275	83.1850	83.2875

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	61880
High	62049
Low	61752
Close	61868
Value Change	-136
% Change	-0.22
Spread Near-Next	310
Volume (Lots)	1804
Open Interest	6522
Change in OI (%)	-0.87%

Gold - Outlook for the Day

SELL GOLD FEB (MCX) AT 62150 SL 62350 TARGET 61900/61700

Silver Market Update



Market View	
Open	71251
High	71251
Low	70351
Close	70816
Value Change	-644
% Change	-0.9
Spread Near-Next	1193
Volume (Lots)	13190
Open Interest	30804
Change in OI (%)	7.21%

Silver - Outlook for the Day

SELL SILVER MARCH (MCX) AT 71200 SL 71850 TARGET 70500/70000

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	83.1625
High	83.185
Low	83.075
Close	83.085
Value Change	-0.075
% Change	-0.0902
Spread Near-Next	0.1478
Volume (Lots)	1687743
Open Interest	3459001
Change in OI (%)	0.00%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 83.16, which was followed by a session that showed selling from higher level with candle closures near low. A long red candle formed by the USDINR price facing resistance 20-days moving average placed at 83.21. On the daily chart, the momentum indicator RSI entered in over sold level shows negative indication while MACD has made a negative crossover above the zero-line. We are anticipating that the price of USDINR futures will fluctuate today between 83 and 83.15.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR January	82.8025	82.9075	83.0075	83.0825	83.2225	83.2875

Nirmal Bang Securities – Commodity Research Team

Name	Designation	Email
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
Utkarsh Dubey	Currency Research Associate	Utkarsh.dubey@nirmalbang.com

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