

## Daily Bullion Physical Market Report

Date: 23<sup>rd</sup> April 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	73161	72875
Gold	995	72868	72583
Gold	916	67016	66754
Gold	750	54871	54656
Gold	585	42799	42632
Silver	999	81939	81554

Rate as exclusive of GST as of 22<sup>nd</sup> April 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
22 <sup>nd</sup> April 2024	72875	81554
19 <sup>th</sup> April 2024	73404	82853
18 <sup>th</sup> April 2024	73477	83327
16 <sup>th</sup> April 2024	73302	83213

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	JUN 24	2346.40	-67.40	-2.79
Silver(\$/oz)	JUL 24	27.52	-1.61	-5.52

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	831.90	0.00
iShares Silver	12,950.75	-68.24

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2361.45
Gold London PM Fix(\$/oz)	2334.95
Silver London Fix(\$/oz)	27.74

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	JUNE 24	2343
Gold Quanto	JUNE 24	71217
Silver(\$/oz)	MAY 24	27.28

### Gold Ratio

Description	LTP
Gold Silver Ratio	85.26
Gold Crude Ratio	28.65

### 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	18494.73	-478.16	-2.59 %

### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
23 <sup>rd</sup> April 01:30 PM	Europe	Flash Manufacturing PMI	46.5	46.1	Medium
23 <sup>rd</sup> April 01:30 PM	Europe	Flash Services PMI	51.8	51.5	Medium
23 <sup>rd</sup> April 02:00 PM	Britain	Flash Manufacturing PMI	50.3	50.3	High
23 <sup>rd</sup> April 02:00 PM	Britain	Flash Services PMI	53.0	53.1	High
23 <sup>rd</sup> April 07:15 PM	United States	Flash Manufacturing PMI	52.0	51.9	High
23 <sup>rd</sup> April 07:15 PM	United States	Flash Services PMI	52.0	51.7	High
23 <sup>rd</sup> April 07:30 PM	United States	New Home Sales	668K	662K	Medium
23 <sup>rd</sup> April 07:30 PM	United States	Richmond Manufacturing Index	-7	-11	Medium

## Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold took a tumble as haven demand waned after geopolitical tensions eased in the Middle East. Bullion dropped as much as 2.8% in its biggest intraday decline since June 2022 to trade as low as \$2,324.96 an ounce. While Israel and Iran have traded attacks, raising concerns about an all-out-war in the region, Tehran has played down the impact and significance of Israel's recent strike, saying on Monday that Israel has received the "necessary response at this stage." Beyond the Middle East, traders are focusing on US economic data, including the Federal Reserve's preferred measure of inflation, which will give more clues on the path for monetary policy. Gold remains nearly 13% higher these years after the recent surge to a record, with gains supported by central bank buying and demand from Asia, especially China. The commodity has risen despite advances in the US currency and 10-year Treasury yields, factors that would usually be a headwind. Against that backdrop, banks including Goldman Sachs Group Inc. have been raising their price targets for the precious metal.

❖ Exchange-traded funds cut 8,566 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 4.33 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$20.5 million at the previous spot price. Total gold held by ETFs fell 5.1 percent this year to 81.3 million ounces, the lowest level since Sept. 20, 2019. Gold advanced 16 percent this year to \$2,391.93 an ounce and by 0.5 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, boosted its holdings by 138,840 ounces in the last session. The fund's total of 26.7 million ounces has a market value of \$64 billion. ETFs also cut 6.06 million troy ounces of silver from their holdings in the last trading session, bringing this year's net sales to 4.31 million ounces. This was the eighth straight day of declines, the longest losing streak since Feb. 6.

❖ Gold mining stocks are suffering their worst trading session in two months as the price of bullion drops amid signs of easing geopolitical tensions between Israel and Iran. The pullback in the precious metal follows a run of five weekly gains that set record highs along the way, providing a tailwind for mining stocks along the way, on rising demand for havens. That momentum hit a wall Monday after Iran downplayed recent strikes by Israel, saying the country received "the necessary response at this stage." The previous week's 2% gain in gold prices quickly headed lower "after Iran downplayed the strikes as limited, signaling a potential de-escalation in the Israel-Iran conflict," BofA Global Research noted in a report Monday. The VanEck Gold Miners ETF fell as much as 4.8% on Monday to mark its biggest intraday drop since Feb. 13, snapping a three-day winning streak. Gold snapped a three-day winning, with prices falling as much as 2.6% to \$2,329 an ounce Monday. Newmont Corp. was among the biggest decliners in the S&P 500 Index on Monday, falling as much as 4.2%, to mark its biggest intraday decline since March 12. Peers falling included Barrick Gold Corp., which dropped 3.9%, and Agnico Eagle Mines Ltd., down 2.7%.

❖ Gold's slide is extending on Tuesday with talk of margin calls in futures and derivatives as a partial driver. The spillover from Nvidia's 10% slump last week appears to have sent ripples across assets popular with retail punters, especially in Asia. The selloff was big enough to trigger a wave of conspiracy theories on it being game over for gold, with central banks cashing out after a stellar run. Yet, it may just be part of an old school margin call fallout. Retail punters have embraced Nvidia as their most-traded single stock, taking over last year from Tesla. So when it slumped 10% last week there were bound to be margin ripples across assets which are also popular in the retail crowd. In the meantime Nvidia rebounded 4% on Monday, amid a session of above average trading volumes, which suggests there was heavy dip buying going on. If that means most of the asset selling linked to margin calls is near ending, then gold may only see a healthy correction.

❖ European Central Bank President Christine Lagarde reiterated that Europe and the US should avoid excessively offering economic perks in a bid to boost growth. "We should not become engaged in a subsidy race between our economies, which creates a zero-sum game," Lagarde said Monday in a speech at Yale University. "We should instead ensure that we use our collective weight in international trade to discourage others from anti-competitive practices, while increasing the free flow of ideas amongst ourselves — a positive-sum game," she said. The remarks echo comments last week by Lagarde, who reckons Europe and the US would be better served by ensuring "a level playing field between countries that play by the rules," while acting "robustly" where rules are being broken to create an unfair advantage.

❖ The drop in gold to touch just below \$2,300 may have been a positioning-driven move. But it also offers traders a chance to judge how strong appetite remains among the long-term buyers who've helped drive the precious metal's rally this year to record highs. Central banks have been key -- led by China, India and Kazakhstan -- and many of the reserve managers involved don't look to be using the more typical playbook of allocating for a set percentage across their FX stockpiles. That would signal a lack of "forced" selling, where gains in a currency or in the gold price result in central banks selling down holdings in response to strong gains. However, bullion's 16% YTD gain through last Friday could spur some reserve managers to consider slowing down their purchases should gold struggle to retain its mojo. The same sort of mindset could affect Chinese savers who have been a notable source of demand. With US real yields breaking to fresh highs -- a factor that could at some stage regain its negative impact on gold -- the retracement seen this week offers a litmus test for the yellow metal.

**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 lower for the day, as gold prices extended losses after its biggest daily decline in almost two years, with easing tension in the Middle East and signs the Federal Reserve will keep rates higher for longer crimping demand.

### Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	June	2250	2270	2300	2320	2350	2370
Silver – COMEX	May	26.45	26.65	26.90	27.10	27.25	27.45
Gold – MCX	June	70500	70700	71000	71200	71500	71750
Silver – MCX	May	78200	79000	79800	80500	81200	81800



## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
106.08	-0.08	-0.07

### Bond Yield

10 YR Bonds	LTP	Change
United States	4.6085	-0.0122
Europe	2.4850	-0.0140
Japan	0.8900	0.0390
India	7.1900	-0.0380

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.1663	-0.0358
South Korea Won	1379.4	-2.9000
Russia Rubble	93.7	0.591
Chinese Yuan	7.2436	0.0043
Vietnam Dong	25434	4
Mexican Peso	17.1381	0.0433

### NSE Currency Market Watch

Currency	LTP	Change
NDF	83.46	-0.02
USDINR	83.3825	-0.1025
JPYINR	53.8775	-0.185
GBPINR	102.8425	-1.0475
EURINR	88.9	-0.02
USDJPY	154.69	0.46
GBPUSD	1.2329	-0.0113
EURUSD	1.0648	0

### Market Summary and News

❖ Some of the nation's largest financial institutions appear to have participated in the Federal Reserve's emergency funding tool that expired last month, according to Wrightson ICAP. The latest Fed semiannual Financial Stability Report released Friday detailed the use of the Bank Term Funding Program, or BTFP, that was launched last year amid the March regional banking crisis to restore confidence in the financial system. Of more than 9,000 institutions eligible to participate, 1,804 took out advances, Wrightson ICAP economist Lou Crandall wrote in a Monday note. While 95% of those were small institutions with assets of less than \$10 billion, 98 banks with assets of more than \$10 billion also tapped the funding; Wrightson estimates some 153 total banks fit that profile in the country. "In other words, the FSR suggests that well over 50% of all large institutions took advantage of the concessionary terms of the BTFP versus only 20% or so of smaller banks," Crandall wrote, referring to the Financial Stability Report. "Stigma concerns do not seem to have been an obstacle to widespread usage of this emergency lending program," he added. "A wide swath of the banking industry will be looking for replacement funding when these subsidized Fed advances run off in the second half of this year." Elsewhere, overnight GC repo opened at 5.34%, according to Curvature Securities, holding steady amid inflows from government-sponsored enterprises.

❖ Rupee bond traders will await PMI data on services and manufacturing to gauge the strength of the economy. USD/INR 1-Mo. NDF steady at 83.44. USD/INR falls 0.1% to 83.3712 on Monday. Implied opening from forwards suggest spot may start trading around 83.36. 10-year yields fell 4bps to 7.19% on Monday. Markets have cut back on rate cut expectations, amid heightened geopolitical risks, strong domestic growth momentum and delay in the US rate cut cycle, DBS analysts write in a note. Foreign debt investors have trimmed their exposure to India this month. Given unfavorable external cues, interests into debt might be lukewarm until the index inclusion into global benchmarks formally kicks off in June. Overseas investors sold 29b rupees of India equities on April 22, provisional NSE data showed. They bought 150 million rupees of sovereign bonds under limits available to foreign investors, and withdrew 3.99 billion rupees of corporate debt. State-run banks sold 2.78 billion rupees of sovereign bonds on April 22: CCIL data. Foreign banks bought 10.7 billion rupees of bonds.

❖ Emerging-market stocks bounced from last week's selloff and recorded their best session in a month on Monday, fueled by a rally in shares of China's Tencent and amid a thin US economic agenda. Currencies edged higher, while Ecuador's dollar notes rallied following Sunday's referendum. Brazil's real, South Korea's won and Chile's pesos were among the best performers in a basket of 23 EM currencies tracked by Bloomberg, while the Colombian peso slid amid falling oil prices. There was an "unsteady calm" in markets from a news agenda focused on the Middle East and US data, said Bob Savage, head of markets strategy and insights at BNY Mellon, in a note to clients. NOTE: Fed members have entered their quiet period ahead of next week's policy announcement. MSCI's EM stock index climbs as much as 0.8%. The move was largely due to a rally in Chinese internet giant Tencent Holdings, which announced it will release a blockbuster game earlier than expected. The \$74 billion Vanguard FTSE Emerging Markets ETF, which trades under VWO, advances as much as 0.9%. Ecuador's dollar notes jumped after President Daniel Noboa's wager on a referendum paid off ahead of a potential new deal with the International Monetary Fund. Bonds of frontier nations including Nigeria, Argentina and Egypt rallied amid strong appetite for double-digit yields; Ukraine's notes bucked the trend as traders brace for debt-restructuring talks.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	83.0525	83.1575	83.2555	83.3575	83.4550	83.5575

**Nirmal Bang Securities - Bullion Technical Market Update**

**Gold Market Update**



Market View	
Open	72127
High	72295
Low	71160
Close	71197
Value Change	-1609
% Change	-2.21
Spread Near-Next	54
Volume (Lots)	9739
Open Interest	19742
Change in OI (%)	-6.97%

**Gold - Outlook for the Day**

**SELL GOLD JUNE (MCX) AT 71200 SL 71500 TARGET 70700/70500**

**Silver Market Update**



Market View	
Open	82500
High	82500
Low	80425
Close	80579
Value Change	-2928
% Change	-3.51
Spread Near-Next	1760
Volume (Lots)	23553
Open Interest	18736
Change in OI (%)	-21.33%

**Silver - Outlook for the Day**

**BUY SILVER MAY (MCX) AT 79000 SL 78200 TARGET 80000/80500**

## Nirmal Bang Securities - Currency Technical Market Update

### USDINR Market Update



Market View	
Open	80.9825
High	83.4675
Low	80.9825
Close	83.3825
Value Change	-0.1025
% Change	-0.1228
Spread Near-Next	0.08
Volume (Lots)	289788
Open Interest	2972859
Change in OI (%)	-2.84%

### USDINR - Outlook for the Day

The USDINR future witnessed a gap-down opening at 80.98, which was followed by a session that showed consolidation with positive buyer with candle closures near high. A long green candle formed by the USDINR price facing resistance of 10-days moving average placed at 83.45. On the daily chart, the momentum indicator RSI trailing between 55-62 level while MACD has made a positive crossover below the zero-line. We are anticipating that the price of USDINR futures will fluctuate today between 83.30 and 83.53.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR April	83.2025	83.2575	83.3275	83.4525	83.5025	83.5575



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