

Daily Bullion Physical Market Report

Date: 24th January 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	62476	62355
Gold	995	62226	62105
Gold	916	57228	57117
Gold	750	46857	46766
Gold	585	36549	36478
Silver	999	70500	70311

Rate as exclusive of GST as of 23rd January 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
23 rd January 2024	62355	70311
19 th January 2024	62390	71228
18 th January 2024	61970	70898
17 th January 2024	62277	71191

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	FEB 24	2045.20	3.60	0.18
Silver(\$/oz)	MAR 24	22.46	0.17	0.74

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	858.93	-2.02
iShares Silver	13,955.95	503.89

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2026.85
Gold London PM Fix(\$/oz)	2022.95
Silver London Fix(\$/oz)	22.26

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	FEB. 24	2031.9
Gold Quanto	FEB. 24	61988
Silver(\$/oz)	MAR. 24	22.57

Gold Ratio

Description	LTP
Gold Silver Ratio	91.05
Gold Crude Ratio	27.50

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	15952.40	27.98	0.18 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
24 th January 02:30 PM	Europe	Flash Manufacturing PMI	44.8	44.4	Medium
24 th January 02:30 PM	Europe	Flash Services PMI	49.1	48.8	Medium
24 th January 03:00 PM	Britain	Flash Manufacturing PMI	46.7	46.2	High
24 th January 03:00 PM	Britain	Flash Services PMI	53.1	53.4	High
24 th January 08:15 PM	United States	Flash Manufacturing PMI	47.6	47.9	High
24 th January 08:15 PM	United States	Flash Services PMI	51.4	51.4	High

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold edged higher as traders awaited US economic data that may provide a steer on the outlook for monetary easing. Bullion has traded in a relatively tight band this month as investors seek further clues on whether the Federal Reserve will start reducing interest rates as soon as March. US data due this week include the latest gross domestic product numbers and core personal consumption expenditures index, which is the central bank's preferred gauge of underlying inflation. Swaps markets are pricing in about a 40% chance of a cut that month, down from almost 70% a week ago. Higher borrowing costs and yields are typically negative for non-interest-bearing bullion. Two-thirds of Bloomberg Markets Live Pulse respondents said betting on early monetary easing is the "most foolish" among popular trades.

❖ Exchange-traded funds cut 178,780 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 1.25 million ounces, according to data compiled by Bloomberg. This was the third straight day of declines. The sales were equivalent to \$361.4 million at yesterday's spot price. Total gold held by ETFs fell 1.5 percent this year to 84.3 million ounces, the lowest level since Jan. 29, 2020. Gold declined 2 percent this year to \$2,021.70 an ounce and by 0.4 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 64,850 ounces in the last session. The fund's total of 27.6 million ounces has a market value of \$55.8 billion. ETFs also cut 62,897 troy ounces of silver from their holdings in the last trading session, bringing this year's net sales to 5.53 million ounces. This was the fourth straight day of declines.

❖ Demand for credit in the euro zone may be bottoming out after falling for more than a year in the face of rising interest rates and a struggling economy, according to the European Central Bank. The ECB's quarterly Bank Lending Survey, published Tuesday, showed that the drop in appetite for business and consumer loans was smaller in the fourth quarter than in the previous three months. "For the first time since early 2022, banks expect a small net increase in demand for loans to firms and for housing loans in the first quarter of 2024," the ECB said. Banks continued to tighten credit standards, however, albeit at a more moderate pace that's likely to abate further in the early months of 2024, according to the poll. Officials in Frankfurt are assessing how much of the effect of their unprecedented ramp-up in interest rates is still to be felt. Bank lending is a key channel through which they want to dampen economic activity and return inflation to 2% — though without turning what's shaping up to be a soft landing for Europe into something more severe. "Across loan categories, the decline in demand was driven by the general level of interest rates," the ECB said. "Moreover, lower fixed investment dampened firms' demand for loans, while subdued consumer confidence and housing market prospects reduced demand from households for loans." The quarterly survey, which began in 2003, comes just two days before the ECB next sets monetary policy. It's widely expected to keep borrowing costs on hold at 4% for a third straight meeting and is likely to push back further against investor bets for rates to be cut as soon as April.

❖ The European Union is progressing with plans to apply a windfall tax to the profits generated by frozen Russian central bank assets, while opting not to seize the immobilized money outright. EU foreign ministers gave their political blessing to the windfall tax on Monday and it will be discussed by the bloc's ambassadors later this week, according to people familiar with the plans. Ukraine's allies broadly agree that Russia needs to pay for the damage its war has caused. The EU, Group of Seven nations and Australia have frozen about €260 billion (\$283 billion) in Russian central bank assets in the form of securities and cash, with more than two thirds of that immobilized in the EU. The majority of the EU-based assets are held by the clearing house Euroclear, where they earned about €3 billion last year. The EU's foreign policy chief, Josep Borrell, told reporters on Monday that progress was made on the windfall tax during a meeting of the bloc's foreign ministers, and that discussions will continue. A group of countries including Germany have made clear they are against seizing the Russian assets outright due to legal concerns, said the people, who asked not to be identified discussing confidential information. Asked to clarify the German position, a foreign ministry spokesman said Tuesday that the priority of the government in Berlin is to ensure legal certainty so that the stability of financial markets is guaranteed.

Fundamental Outlook: Gold and silver prices are trading slightly lower today on the international bourses. We expect gold and silver prices to trade range-bound to slightly lower for the day, as markets remained cautious ahead of US economic data that may provide a steer on the outlook for monetary easing.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	Feb	2000	2020	2035	2050	2070	2090
Silver – COMEX	Mar	21.85	22.10	22.35	22.55	22.80	23.05
Gold – MCX	Feb	61650	61800	62000	62200	62350	62500
Silver – MCX	Mar	69500	70200	70800	71200	71700	72250

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
103.62	0.29	0.28

Bond Yield

10 YR Bonds	LTP	Change
United States	4.1282	0.0229
Europe	2.3500	0.0610
Japan	0.6710	0.0130
India	7.1760	-0.0030

Emerging Market Currency

Currency	LTP	Change
Brazil Real	4.9503	-0.0349
South Korea Won	1333.25	-5.5500
Russia Rubble	88.7253	0.6799
Chinese Yuan	7.1718	-0.0191
Vietnam Dong	24562	5
Mexican Peso	17.3073	0.1234

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.22	0.05
USDINR	83.1675	0.0825
JPYINR	56.32	0.08
GBPINR	105.6625	0.2875
EURINR	90.43	-0.0475
USDJPY	147.61	-0.89
GBPUSD	1.2701	0.0002
EURUSD	1.0867	-0.0022

Market Summary and News

❖ The dollar advanced alongside Treasury yields amid a broader underperformance in global rates after the Bank of Japan left investors increasingly certain of policy tightening to come in 2024. The yen nonetheless swung to losses during the New York session. Bloomberg Dollar Spot Index up 0.2%, with the greenback gaining against almost all of its Group-of-10 peers and hedging flows seen supporting bid for dollars; Earlier, greenback slumped in Asia trading on reports China was mulling a \$278 billion package of measures to stabilize the slumping stock market which damped demand for haven assets. Yield on US 10-year notes rises 4.2bps to 4.15%, while 30-year yield gains 6.5bps to 4.38%. USD/JPY whipsawed after BOJ decision; up 0.3% in New York session to 148.49 but earlier lost as much as 0.8% after decision and press conference with Governor Kazuo Ueda. BOJ kept its short-term rate at -0.1% and retained its current yield-curve control parameters; but Ueda said that the central bank will mull hiking if its price goal is in sight, that labor unions are asking for higher pay and that some information will be available before the March meeting. Real money and corporate names mostly sidelined today in the yen, a Europe-based trader says. "The Japanese forward curve is still pricing in a return of the BoJ policy rate back to zero from July and above zero by the end of the year and this continues to prevent a much sustained USD-JPY rally towards 150 and above," wrote macro strategists at UniCredit in a Tuesday note. EUR/USD fell as much as 0.6% to 1.8022, weakest since Dec. 13 and leading losses among G-10 peers; common currency also sold against the pound as EUR/GBP earlier fell to 0.85465 intraday low, weakest since Sept. 6. Focus on EU2.2b that rolls over Wednesday at 1.0900 strikes. EUR/CNH selling also seen after reports of China stock-market rescue plan. AUD/USD reverses a gain of 0.6%, down 0.1% to 0.6564; USD/CAD relative underperformer as loonie holds ground below 1.3500 ahead of Wednesday's Bank of Canada decision.

❖ The Indian rupee fell on worries foreign outflows from stocks may accelerate amid risk-off sentiment. Bonds largely traded in range. USD/INR gains 0.1% to 83.1588; rose 0.2% last week. Financial markets were closed on Monday for a public holiday. Foreigners have been net sellers of \$1.8b of Indian equities so far in Jan. The Indian rupee was sold as stock markets fell by 1.5%, says Anil Kumar Bhansali, head of treasury at Finrex Treasury Advisors. The rupee is expected to move in a 83.05-83.30 band on Wednesday. 10-year yields steady at 7.18%; 3-year yield drops 1bp to 7.05%. States sell 232.8b rupees of debt versus 242.8b rupees plan: RBI statement. RBI adds 1.25t rupees via 2-day variable repo auction on Tuesday; cutoff yield is 6.72%. Proactive intervention by RBI to manage banking sector liquidity suggests that money market yields may stabilize around the current levels, says Puneet Pal, head of fixed-income at PGIM Mutual Fund. The trajectory of short-end money market curve will depend a lot on the pace of government spending and the rise in currency under circulation.

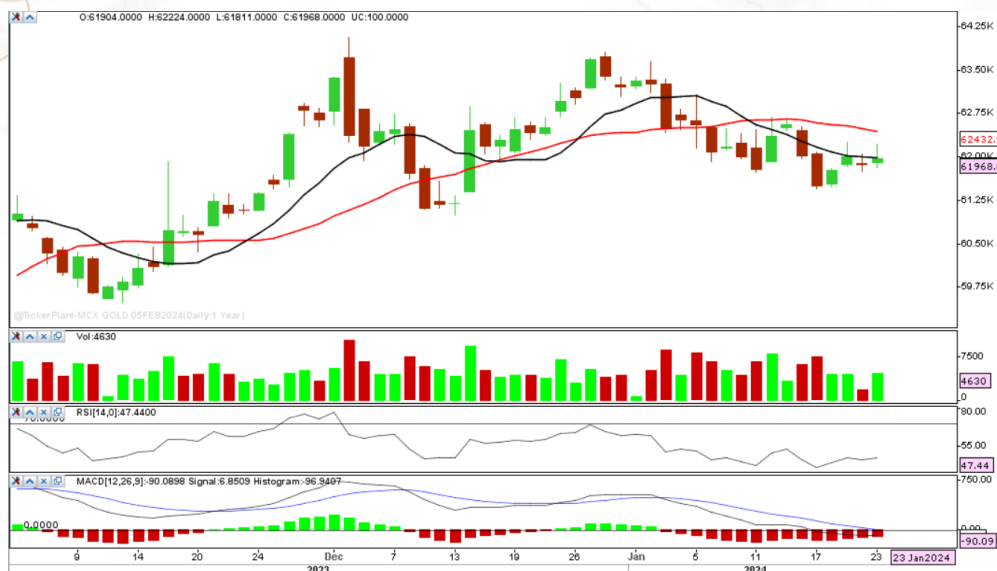
❖ Emerging-market stocks rose on Tuesday, boosted by a rebound in China, while currencies paired earlier losses posted on bets that the Federal Reserve will cut rates later than previously expected. The MSCI gauge for stocks advances 0.5%. Chinese authorities are mulling a plan to mobilize the equivalent to \$278B as part of a stabilization fund to buy shares onshore through the Hong Kong exchange link, said people familiar with the strategy. EM currencies edged lower; the Colombian peso was the biggest decliner, followed by the Hungarian forint. BofA recommends selling the Colombian peso as it eliminated almost all risk premium built in 2022 and now looks expensive compared with the country's bonds and spreads. Hungary's Economy Ministry proposes to replace the reference rate used in bank lending, creating the latest point of friction between government and central bank over monetary policy. The Mexican peso extended declines as Donald Trump emerges as favorite in the New Hampshire primary.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.9525	83.0075	83.0755	83.1875	83.2650	83.3275

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	61904
High	62224
Low	61811
Close	61968
Value Change	100
% Change	0.16
Spread Near-Next	303
Volume (Lots)	4630
Open Interest	5873
Change in OI (%)	-11.05%

Gold - Outlook for the Day

BUY GOLD FEB (MCX) AT 61800 SL 61650 TARGET 62100/62250

Silver Market Update



Market View	
Open	70754
High	71207
Low	70731
Close	70957
Value Change	141
% Change	0.2
Spread Near-Next	1128
Volume (Lots)	9717
Open Interest	29901
Change in OI (%)	-3.02%

Silver - Outlook for the Day

BUY SILVER MARCH (MCX) AT 70800 SL 70200 TARGET 71500/72000

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	83.19
High	83.19
Low	83.08
Close	83.1675
Value Change	0.0825
% Change	0.0993
Spread Near-Next	0.0653
Volume (Lots)	2251390
Open Interest	3196251
Change in OI (%)	-8.22%

USDINR - Outlook for the Day

The USDINR future witnessed a gap-up opening at 83.19, which was followed by a session that showed minimal buying from lower level with candle closures near high. A long red candle formed by the USDINR price facing resistance 20-days moving average placed at 83.20. On the daily chart, the momentum indicator RSI trailing between 45-53 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 83.09 and 83.24.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR January	82.9525	83.0175	83.0875	83.2025	83.2525	83.3075

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