

## Daily Bullion Physical Market Report

Date: 25<sup>th</sup> April 2024

### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	72219	71826
Gold	995	71930	71538
Gold	916	66153	65793
Gold	750	54164	53870
Gold	585	42248	42018
Silver	999	80800	80687

Rate as exclusive of GST as of 24<sup>th</sup> April 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

### Gold and Silver 999 Watch

Date	GOLD*	SILVER*
24 <sup>th</sup> April 2024	71826	80687
23 <sup>rd</sup> April 2024	71598	80007
22 <sup>nd</sup> April 2024	72875	81554
19 <sup>th</sup> April 2024	73404	82853

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

### COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	JUN 24	2338.40	-3.70	-0.16
Silver(\$/oz)	JUL 24	27.62	-0.02	-0.06

### ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	833.63	1.73
iShares Silver	13,320.39	28.43

### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2312.30
Gold London PM Fix(\$/oz)	2320.25
Silver London Fix(\$/oz)	27.12

### Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	JUNE 24	2331.8
Gold Quanto	JUNE 24	71070
Silver(\$/oz)	MAY 24	27.26

### Gold Ratio

Description	LTP
Gold Silver Ratio	84.66
Gold Crude Ratio	28.24

### 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
25 <sup>th</sup> April 06:00 PM	United States	Advance GDP q/q	2.5%	3.4%	High
25 <sup>th</sup> April 06:00 PM	United States	Unemployment Claims	214K	212K	High
25 <sup>th</sup> April 06:00 PM	United States	Advance GDP Price Index q/q	3.0%	1.6%	Medium
25 <sup>th</sup> April 06:00 PM	United States	Goods Trade Balance	-91.1B	-90.3B	Low
25 <sup>th</sup> April 06:00 PM	United States	Prelim Wholesale Inventories m/m	0.2%	0.5%	Low
25 <sup>th</sup> April 07:30 PM	United States	Pending Home Sales m/m	0.3%	1.6%	High

## Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold traded steady Wednesday after a two-day decline as traders await key US inflation data due later this week that may shed more light on the Federal Reserve's path for interest rates. Bullion was trading above \$2,300 an ounce after dropping about 3% in the prior two sessions, when an easing of tensions in the Middle East sapped haven demand. Traders are eyeing Friday's release of the personal consumption expenditures index — the Fed's preferred measure of inflation. It is forecast to show that price pressures remained elevated in March. That would support the case for a delay in rate cuts, a headwind for gold as it doesn't pay interest. The odds of a reduction in US borrowing costs in June — the base-case scenario earlier in the year — have dropped sharply over the last few weeks, with the swaps market now pricing in just a 14% chance. Some traders in the rates market are now putting on wagers that the Fed won't cut at all this year. Gold is still up about 17% since mid-February, supported by heightened geopolitical risk, central-bank purchases and a sharp uptick in buying by Chinese retail investors.

❖ Exchange-traded funds cut 71,692 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 4.3 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$166.5 million at yesterday's spot price. Total gold held by ETFs fell 5 percent this year to 81.3 million ounces. Gold advanced 13 percent this year to \$2,322.02 an ounce and fell by 0.2 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, boosted its holdings by 55,530 ounces in the last session. The fund's total of 26.8 million ounces has a market value of \$62.2 billion. ETFs added 9.95 million troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 2.33 million ounces. This was the biggest one-day increase since March 11.

❖ Zimbabwe's new currency is a step toward eventually abandoning the use of US dollars in the economy, Vice President Constantino Chiwenga said. The ZiG was introduced on April 5 to replace the Zimbabwean dollar, after its frequent and rapid depreciation led the greenback last year to become the preferred currency for transacting. The US dollar is used in more than 80% of transactions in the southern African country. "ZiG is there to stay forever," said Chiwenga. "This bold step symbolizes government's unwavering commitment to the de-dollarization program premised on fiscal discipline, monetary prudence and economic revitalization." The ZiG, short for Zimbabwe Gold, is backed by a basket of precious metals including about 2.5 tons of gold along with \$100 million of foreign currency reserves held by the central bank. The currency has gained more than 2% against the dollar since its debut, data posted on the central bank's website shows. The authorities plan to increase their gold reserves by monitoring the industry to curb smuggling of the metal, Chiwenga said. Zimbabwe has compelled mining companies since the end of 2022 to pay part of their royalties using the metal to build its reserves. "We are going to put strict measures that can see heads rolling," he said. "Every gram must be accounted for of our gold." The ZiG's link to gold lessens the risk of volatility and manipulation, and the authorities expect it to provide stability in the currency markets and to wipe out premiums on the parallel market on the streets of Zimbabwe's cities, said Chiwenga. In order to prevent volatility in the currency, the authorities will take action against street market dealers and businesses involved in pushing up prices in supermarkets for speculative reasons, Chiwenga said. "Speculators should cease," he said. "Behave, or you get shut down or we lock you up."

❖ European bonds fell, underperforming Treasuries, on bets central banks in the region will keep interest rates on hold for longer. The yield on 10-year German and UK bonds rose around 10 basis points, double the move in equivalent Treasuries. European Central Bank Governing Council member Joachim Nagel said Wednesday they can't commit to what will happen after a likely reduction in borrowing costs in June, casting doubt on market pricing that is positioned for as many as three quarter-point cuts this year. That follows comments from BOE's Huw Pill, who said Tuesday there's still a "reasonable way to go" before he's convinced that underlying price pressures have been tamed. Together, the interjections are an indication that policymakers in Europe are starting to push back on expectations for swift easing cycles. Both the ECB and BOE are seen cutting rates around the middle of the year, months before the Federal Reserve. It's a view that's fueled demand for euro-area bonds and gilts, widening the spread between US and German bonds to the highest in five years last week. "Nagel is downplaying the idea of back-to-back rate cuts," said Andrzej Szczepaniak, an economist at Nomura. "Underlying momentum of core services inflation has been stubbornly persistent and just sidestepping for some months now, and we think this will continue." Nomura forecasts four quarter-point rate cuts from the ECB this year, but sees the risk of fewer reductions should inflation prove more persistent than expected. Toronto Dominion Bank, meanwhile, is recommending tactically buying 10-year US Treasuries versus equivalent German bonds as the ECB may disappoint markets by not committing to consecutive reductions. Italian bonds were the worst performers after Fitch Ratings earlier warned about the country's rising debt load. The 10-year yield rose as much as 15 basis points to near 4%, widening the spread over bunds by the most in over three weeks.

**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 gold prices are steady after a three-day drop as traders turned their attention toward the release of US inflation data that will shape expectations for US monetary policy and the trajectory of the dollar.

## Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	June	2270	2295	2320	2335	2350	2370
Silver – COMEX	May	26.00	26.30	26.50	26.65	26.85	27.10
Gold – MCX	June	70500	70700	71000	71200	71500	71750
Silver – MCX	May	79000	79700	80300	80800	81500	82100



## Nirmal Bang Securities - Daily Currency Market Update

### Dollar Index

LTP/Close	Change	% Change
105.86	0.18	0.17

### Bond Yield

10 YR Bonds	LTP	Change
United States	4.6417	0.0413
Europe	2.5880	0.0860
Japan	0.9050	0.0160
India	7.1850	0.0210

### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.1481	0.0217
South Korea Won	1369.4	-8.9500
Russia Rubble	92.3116	-0.8967
Chinese Yuan	7.246	0.0008
Vietnam Dong	25415	-30
Mexican Peso	17.0727	0.1139

### NSE Currency Market Watch

Currency	LTP	Change
NDF	83.45	-0.04
USDINR	83.315	-0.03
JPYINR	53.8	-0.0575
GBPINR	103.6475	0.485
EURINR	89.01	0.1125
USDJPY	155.22	0.74
GBPUSD	1.2438	0.003
EURUSD	1.0685	0.0016

### Market Summary and News

❖ The yen weakened beyond 155 per dollar for the first time in more than three decades, fueling risk that the key level may prompt Japan to step into the market. The Asian nation's currency depreciated as much as 0.4% to a session low of 155.37 on Wednesday, marking the first time since June 1990 the yen crossed the 155 level against the greenback. The rate of the yen against the US dollar displayed at foreign exchange brokerage Gaitame.com Co. in Tokyo on April 25. "Intervention risk remains high, regardless of the level," said Win Thin, global head of markets strategy at Brown Brothers Harriman. Helping drive the yen lower Wednesday was demand for contracts to sell it against both the greenback and euro, according to data from the Depository Trust & Clearing Corporation. That included a \$300 million purchase of options that expire in a month to sell the Japanese currency at 156 per dollar, pressuring the yen in the spot market. Japanese officials have said repeatedly that they will take necessary action to address excessive moves in the yen if needed. The authorities have emphasized a focus on the pace of the currency's depreciation rather than a precise level. Traders will be alert to any comments from officials in Tokyo on Thursday that suggests a higher state of readiness for intervention.

❖ Indian sovereign bonds were lower, tracking the overnight rise in crude prices. The rupee ended steady. NOTE: Brent was marginally lower near \$88 a barrel after climbing 1.6% on Tuesday. On a short-term tactical basis, the likes of INR might be a good play, Brad Bechtel, global head of FX at Jefferies, writes in note. The RBI seems interested in capping any move above 83.50, and we could easily grind back through the moving averages into 82.80 as the market sentiment recovers from last week's turmoil. This pair will remain range bound for now as authorities try to increase the appeal of using INR for global trade, but that doesn't mean we can't trade the range a bit here. USD/INR steady at 83.32. 10-year yields gains 2bps to 7.19%, 5-year yield rises 1bp to 7.18%.

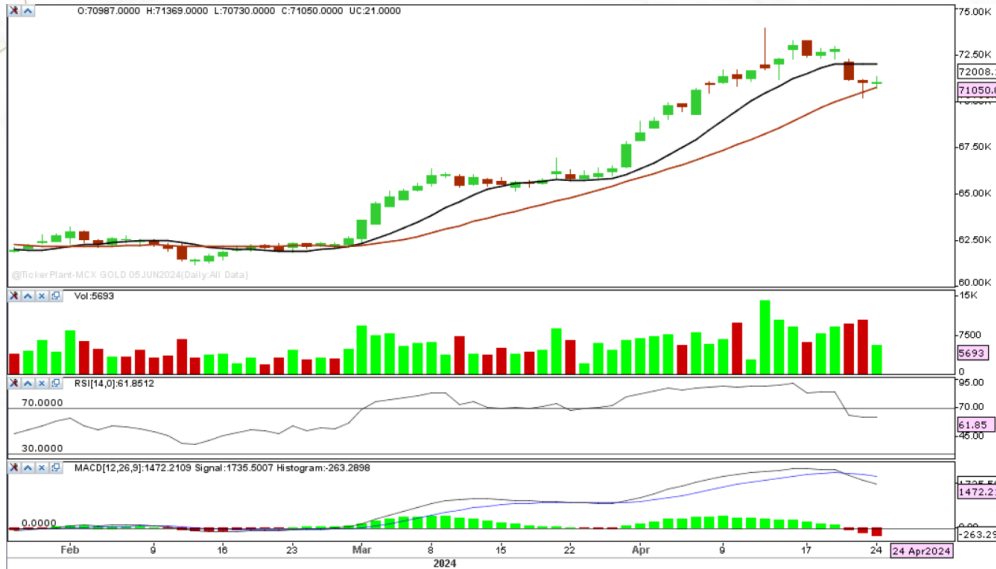
❖ The yen slid to a fresh 34-year low against a mixed greenback as supply and inflation concerns weighed on Treasury prices, lifting yields. The Bloomberg Dollar Spot Index reverses drop to rise by 0.1% as the Treasury 10-year note yield adds five basis points to 4.65%. Rise in yields comes after a tepid sale of a record \$70 billion of 5-year notes and a March durable goods orders report that beat estimates. The dollar, for the first time since November, is poised to see strong buying interest at month-end by global fund managers re-balancing their portfolios, according to FX strategists at Barclays. BBDXY index rise is influenced by a weaker Mexican peso and yuan; the PBOC warned on a government bond rally while Europe hit China with medical devices probe. Markets are now focusing on Thursdays' GDP and Friday's PCE deflator. USD/JPY hits new 34-year high of 155.37 amid higher yields, a weaker offshore yuan and option-related demand. One-week low-delta risk reversals widen amid heightened concerns about intervention and expectations the Bank of Japan may need to tighten policy to slow the yen's slide; demand is seen for both options below 152 and above 155.50 with \$1.3b of 150 strikes booked across tenors: DTCC. A number of 155 options are seen rolling off in the next two days. EUR/USD is little changed at 1.0702; earlier drop was slowed by rising European yields after German Ifo showed business sentiment improved to its highest level in a year. Options sentiment shows conviction on an imminent leg lower is fading as one-week risk reversals trade at 11 basis points, puts over calls, the least in a month. EUR/CHF rises 0.3% to 0.9784 amid a bout of interbank selling of the franc against the dollar. USD/CAD rises as much as 0.5% to 1.3729 after a soft retail sales report and as WTI oil and the S&P index retreats; loonie is on pace to break a five-day run higher, longest streak since September. The Australian dollar rose 0.2%, leading G-10 gains after a faster-than-estimated inflation dampened bets on Reserve Bank interest-rate cuts. GBP/USD rises 0.1% to 1.2465, the top end of a narrow trading range.

### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	83.1225	83.1975	83.2455	83.3575	83.4050	83.4575

## Nirmal Bang Securities - Bullion Technical Market Update

### Gold Market Update

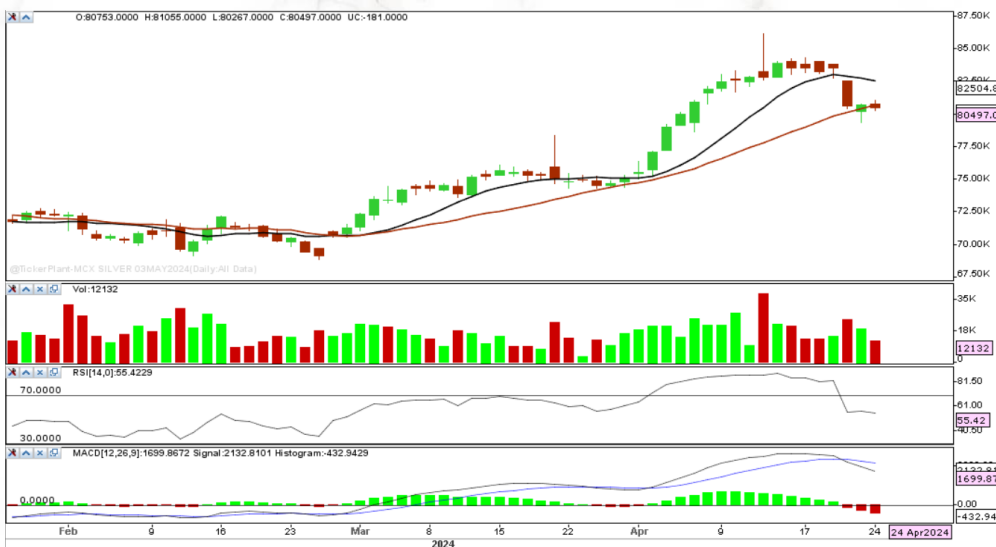


Market View	
Open	70987
High	71369
Low	70730
Close	71050
Value Change	21
% Change	0.03
Spread Near-Next	-8
Volume (Lots)	5693
Open Interest	19360
Change in OI (%)	-0.51%

### Gold - Outlook for the Day

**BUY GOLD JUNE (MCX) AT 70900 SL 70600 TARGET 71300/71500**

### Silver Market Update



Market View	
Open	80753
High	81055
Low	80267
Close	80497
Value Change	-181
% Change	-0.22
Spread Near-Next	1737
Volume (Lots)	12132
Open Interest	15526
Change in OI (%)	-7.15%

### Silver - Outlook for the Day

**BUY SILVER MAY (MCX) AT 80300 SL 79700 TARGET 81000/81500**

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

**USDINR Market Update**



Market View	
Open	83.325
High	83.34
Low	83.2725
Close	83.315
Value Change	-0.03
% Change	-0.036
Spread Near-Next	0.0725
Volume (Lots)	950783
Open Interest	2072772
Change in OI (%)	-28.25%

**USDINR - Outlook for the Day**

The USDINR future witnessed a gap-flat opening at 83.32, which was followed by a session that showed consolidation with negative buyer with candle closures near low. A small red candle formed by the USDINR price facing resistance of 20-days moving average placed at 83.38. On the daily chart, the momentum indicator RSI trailing between 51-56 level while MACD has made a negative crossover above the zero-line. We are anticipating that the price of USDINR futures will fluctuate today between 83.23 and 83.40.

**Key Market Levels for the Day**

	S3	S2	S1	R1	R2	R3
USDINR April	83.1125	83.1675	83.2275	83.3825	83.4025	83.4575



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