

Daily Bullion Physical Market Report

Date: 29th November 2023

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	61895	61913
Gold	995	61647	61665
Gold	916	56696	56712
Gold	750	46421	46435
Gold	585	36209	36219
Silver	999	74993	74889

Rate as exclusive of GST as of 28th November 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
28 th November 2023	61913	74889
24 th November 2023	61437	73046
23 rd November 2023	61394	73065
22 nd November 2023	61616	73465

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	Feb 24	2060.20	27.20	1.34
Silver(\$/oz)	Mar 24	25.30	0.26	1.05

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	882.28	0.00
iShares Silver	13,690.93	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2014.00
Gold London PM Fix(\$/oz)	2025.65
Silver London Fix(\$/oz)	24.65

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC. 23	2060
Gold Quanto	FEB. 24	62742
Silver(\$/oz)	DEC. 23	24.99

Gold Ratio

Description	LTP
Gold Silver Ratio	81.42
Gold Crude Ratio	26.96

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	173351	58457	114894
Silver	38239	21574	16665

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	16270.04	171.62	1.05 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
29th November 07:00 PM	United States	Prelim GDP q/q	5.0%	4.9%	High
29th November 07:00 PM	United States	Prelim GDP Price Index q/q	3.5%	3.5%	Medium
29th November 07:00 PM	United States	Goods Trade Balance	-86.4B	-86.8B	Low
29th November 07:00 PM	United States	Prelim Wholesale Inventories m/m	0.1%	0.2%	Low
30th November 12:30 AM	United States	Beige Book	-	-	Low

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold extended gains yesterday to its highest level since May as the latest comments from Federal Reserve officials bolstered bets the US central bank will start cutting interest rates next year. Governor Christopher Waller, one of the most hawkish Fed officials, said policy is well positioned to return inflation to the central bank's 2% goal, suggesting policymakers may not need to raise rates again. Governor Michelle Bowman said she remains willing to support rate hikes if inflation progress stalls, but stopped short of endorsing an increase next month. Investors will focus on US economic data this week, including the Fed's preferred measure of underlying inflation, for further clues on interest rates. The outlook on the Fed's next steps has seen hedge funds boost net bullish bets on gold to the highest in almost four months, the latest CFTC data on futures and options show. Meanwhile, holdings in exchange-traded funds have stabilized after months of outflows.

❖ Exchange-traded funds cut 20,230 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 7.15 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$40.7 million at yesterday's spot price. Total gold held by ETFs fell 7.6 percent this year to 86.6 million ounces. Gold advanced 10 percent this year to \$2,014.13 an ounce and by 0.7 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, maintained its holdings in the last session. The fund's total of 28.4 million ounces has a market value of \$57.1 billion. ETFs also cut 885,201 troy ounces of silver from their holdings in the last trading session, bringing this year's net sales to 41 million ounces.

❖ Gold's ascent has been sufficiently swift and powerful that a challenge of the metal's record seems inevitable before the year-end, possibly quite soon. The fuel, of course, comes from bets that the Federal Reserve is done hiking, which hurts the US dollar and Treasury yields. Governor Christopher Waller's comments on Tuesday feed this dynamic. Given its loftier pricing, it's possible that gold futures will venture into uncharted territory before cash metal. The former are now in the mid-\$2,060s/oz. The peak was just above \$2,089/oz in August 2020.

❖ Two Federal Reserve officials who led the push for higher interest rates to curb inflation last year signaled they could be comfortable holding rates steady for now, reinforcing expectations that the central bank's current hiking cycle is done. Governor Christopher Waller, one of the most hawkish Fed officials, said policy is well positioned to return inflation to the Fed's 2% goal, suggesting policymakers may not need to raise rates again. Governor Michelle Bowman said she remains willing to support rate hikes if inflation progress stalls, but stopped short of endorsing an increase next month. While the remarks don't fundamentally change expectations for the Fed's December meeting, Waller's comments in particular suggest support is widening among officials for an extended policy pause amid signs that economic activity, inflation and the labor market are cooling. "I am increasingly confident that policy is currently well positioned to slow the economy and get inflation back to 2%," Waller said Tuesday at the American Enterprise Institute in Washington. "I am encouraged by what we have learned in the past few weeks — something appears to be giving, and it's the pace of the economy," he said, referencing remarks he made last month, when growth and inflation data were picking up rather than slowing down. Waller said data since then has moved in the right direction. He also pointed to fourth-quarter forecasts that predict a further cool down. Both Waller and Bowman noted that there are still many uncertainties about how policy will unfold. Bowman, speaking at an event in Salt Lake City, Utah, said she continues to believe more policy tightening will be needed, though her support for higher rates was more conditional than it had been in previous remarks. "I remain willing to support raising the federal funds rate at a future meeting should the incoming data indicate that progress on inflation has stalled or is insufficient to bring inflation down to 2% in a timely way," she said.

❖ The European Central Bank isn't yet at a point where it should consider reducing borrowing costs, according to Bundesbank President Joachim Nagel. "It would be premature to lower interest rates soon or to speculate about such steps," the German central banker said Tuesday in Nicosia. "It is not just the level of interest rates that matters for the stance, but also expectations about the future path of interest rates. The main effect of the policy tightening on inflation is yet to unfold." The ECB has likely concluded its rate-hiking campaign and will pause for a second consecutive time at its December meeting. While the market is already betting on rate cuts as soon as April, officials have said that another increase is still possible and that it's too early to discuss cuts. That idea was backed by Bank of Spain Governor Pablo Hernandez de Cos, who spoke earlier in the day in Hong Kong. Speaking in Paris, Bank of France Governor Francois Villeroy de Galhau said the "remedy" of high rates will have to continue for some time. "It's not a question of raising the dose," he said. "Barring shocks or surprises we'll keep rates at their current level rather than raising again, but we need a length of treatment to ensure the proper transmission of monetary policy." Inflation has cooled dramatically from its 10.6% peak last year to 2.9% in October, yet policymakers have emphasized that the last mile down to the 2% target will take longer and base effects will indeed push up consumer-price growth in coming months. "While headline inflation has fallen significantly over the last months, we cannot take it for granted that this decline will continue," Nagel said. "The disinflationary effects of fallen energy prices have dissipated and we are still a considerable distance away from our target level. And we expect a bumpy road ahead, with ups and downs in inflation over the near future." Meanwhile, the already struggling economy is now starting to feel the effect of monetary tightening.

Fundamental Outlook: Gold and silver prices are trading higher today on the international bourses. We expect gold and silver prices to trade higher for the day; as gold prices extended gains after surging 1.3% to the highest level since May on Tuesday, as comments from Federal Reserve officials bolstered bets it will start cutting interest rates next year.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	Feb	2000	2020	2045	2052	2075	2095
Silver – COMEX	Mar	24.60	24.78	25.00	25.20	25.45	25.70
Gold – MCX	Feb	62300	62500	62800	63000	63200	63500
Silver – MCX	Mar	75800	76500	77200	77700	78300	78850

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
102.75	-0.45	-0.44

Bond Yield

10 YR Bonds	LTP	Change
United States	4.3207	-0.0659
Europe	2.4950	-0.0520
Japan	0.7580	-0.0200
India	7.2770	0.0060

Emerging Market Currency

Currency	LTP	Change
Brazil Real	4.8711	-0.0277
South Korea Won	1293.8	-10.0500
Russia Rubble	88.9005	-0.1746
Chinese Yuan	7.1363	-0.0165
Vietnam Dong	24240	-4
Mexican Peso	17.1408	-0.0248

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.43	-0.07
USDINR	83.385	-0.035
JPYINR	56.41	0.2975
GBPINR	105.3025	0.57
EURINR	91.395	0.315
USDJPY	147.65	-1.59
GBPUSD	1.2632	0.0099
EURUSD	1.097	0.0038

Market Summary and News

❖ The euro reached the strongest level since August as the dollar continues its decline. The greenback is set for the worst month in a year. The yen was among best performers on Tuesday. The Bloomberg Dollar Spot Index fell 0.4% on Tuesday; it shed more than 3% in November so far, after three months of advances. Federal Reserve Governor Christopher Waller said he's encouraged by recent slowing of economic activity and that policy "is currently well positioned" to get back to inflation target. Market took these comments as him "being much more open to a rate cut in the first half of the year than expected," said Alan Ruskin, chief international strategist at Deutsche Bank AG. "Waller perceived as dovish is also key—a hawk turned less hawkish," he said. "USD weakness has been driven predominantly by the equity rally (better risk sentiment), with narrower US rate differentials, lower energy prices and China optimism contributing only marginally," Bank of America's Adarsh Sinha and Janice Xue wrote in a research note about November drop. "There is plenty of room for US recoupling and China recovery (our base case) to reinforce the USD downtrend," they said. "But the market may hold off for stronger evidence of this in the data." EUR/USD rose as much as 0.5% to 1.1009, highest level since August. "Month-end flows helping it along, accelerated as EUR/USD got bought into 1.10, but I will not be surprised if it fizzles out again and we drift back to 1.0950," said Kit Juckes, chief foreign-exchange strategist at Societe Generale in London. USD/JPY fell as much as 0.9% to 147.33. "We look for a big move in the yen versus the dollar," said Toronto Dominion Bank's head of FX strategy, Mark McCormick. His target for USD/JPY is at 140 by the end of the first quarter next year. GBP/USD rose 0.6% to 1.2698. AUD/USD gained 0.7% to 0.6651.

❖ The benchmark index of emerging-market currencies is poised for its best monthly performance in a year, thanks to a weaker dollar and growing speculation that the Federal Reserve is done hiking rates. MSCI's EM currency index advances 0.4% on Tuesday, bringing November gains to roughly 2.9%. Advance on the day is pushed by Eastern European FX, with the Hungarian forint, Polish zloty and Czech koruna strengthening against the greenback. MSCI's stock gauge climbs for the first day in three, led in part by Adani Power. Shares of Adani Group companies climbed in intraday trading after India's Supreme Court on Friday concluded hearing the arguments in a case relating to an investigation into the plunge in the conglomerate's stocks. Panama's top court ruled against a law approving a contract with First Quantum Minerals Ltd., casting doubt on the future of one of the world's biggest copper operations. The country's dollar notes due in 2036 fell 0.4 cent to about 96 cents on the dollar following the ruling, indicative price data compiled by Bloomberg show. JPMorgan analysts wrote in a note that Panama is likely to lose its investment grade credit score if it carries out the closure the First Quantum copper mine. In Brazil's equity markets, the benchmark Ibovespa stock index gained as much as 0.9%, touching its highest levels since 2021. Rally boosted by Petrobras advance as oil prices rise. This month, the index rose 12% and is headed for the biggest monthly advance since November 2020. The stock moves also come on the back of the country's cooling annual inflation figures and as central bankers stay committed to cutting interest rates.

❖ The rupee may open higher in line with Asian peers after dovish Fed comments further cemented rate cut bets in 2024. Gains are still likely to lag behind peers amid continued central bank intervention. USD/INR little changed at 83.3438 on Tuesday. Implied opening from forwards suggest spot may start trading around 83.28. 10-year yields little changed at 7.28% on Tuesday. Expect system liquidity to turn marginally positive this week led by month-end government spending and G-sec redemption, says Kotak Mahindra Bank in note. However, we do not see a need for OMO sales by the RBI, for now, as we expect liquidity to revert to deficit in the coming weeks amid 3QFY24 advance tax collections, and GST collections. Overseas investors bought 7.84b rupees of Indian equities on Tuesday, provisional NSE data shows. They bought 30 million rupees of sovereign bonds under limits available to foreign investors, and added 1.23 billion rupees of corporate debt. State-run banks bought 3.07 billion rupees of sovereign bonds on Nov. 28: CCIL data. Foreign banks bought 8.07 billion rupees of bonds.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	83.0525	83.1675	82.2455	83.3275	83.3850	83.4575

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	62175
High	62800
Low	61903
Close	62722
Value Change	785
% Change	1.27
Spread Near-Next	328
Volume (Lots)	6425
Open Interest	16143
Change in OI (%)	17.05%

Gold - Outlook for the Day

BUY GOLD FEB (MCX) AT 62800 SL 62500 TARGET 63200/63400

Silver Market Update



Market View	
Open	76486
High	77148
Low	76194
Close	76993
Value Change	508
% Change	0.66
Spread Near-Next	1130
Volume (Lots)	15955
Open Interest	18202
Change in OI (%)	27.72%

Silver - Outlook for the Day

BUY SILVER MARCH (MCX) AT 77000 SL 76300 TARGET 77800/78300

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.3725
High	83.445
Low	83.36
Close	83.385
Value Change	-0.035
% Change	-0.042
Spread Near-Next	-0.1522
Volume (Lots)	2991959
Open Interest	4390959
Change in OI (%)	22.79%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 83.37, which was followed by a session that showed profit taking from higher level with candle closures near high. A green candle formed by the USDINR price closed above short-term moving averages. On the daily chart, the momentum indicator RSI trailing between 50-57 level while MACD has made a positive crossover above the zero-line. We are anticipating that the price of USDINR futures will fluctuate today between 83.29 and 83.42.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR December	83.1025	83.2075	83.3075	83.4500	83.5325	83.5975

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