

Daily Bullion Physical Market Report

Date: 30th November 2023

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	62775	62629
Gold	995	62524	62378
Gold	916	57502	57368
Gold	750	47081	46972
Gold	585	36723	36638
Silver	999	75750	75700

Rate as exclusive of GST as of 29th November 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
29 th November 2023	62629	75700
28 th November 2023	61913	74889
24 th November 2023	61437	73046
23 rd November 2023	61394	73065

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	Feb 24	2067.10	6.90	0.33
Silver(\$/oz)	Mar 24	25.44	0.14	0.56

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	880.55	-1.73
iShares Silver	13,562.73	-128.20

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	2037.60
Gold London PM Fix(\$/oz)	2046.95
Silver London Fix(\$/oz)	24.97

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	DEC. 23	2066.8
Gold Quanto	FEB. 24	62828
Silver(\$/oz)	DEC. 23	25.45

Gold Ratio

Description	LTP
Gold Silver Ratio	81.24
Gold Crude Ratio	26.55

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	16451.50	33.66	0.20 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
30th November 07:00 PM	Europe	ECB President Lagarde Speaks	-	-	Medium
30th November 07:00 PM	United States	Core PCE Price Index m/m	0.2%	0.3%	High
30th November 07:00 PM	United States	Unemployment Claims	219K	209K	High
30th November 07:00 PM	United States	Personal Income m/m	0.2%	0.3%	Low
30th November 07:00 PM	United States	Personal Spending m/m	0.2%	0.7%	Low
30th November 07:45 PM	United States	FOMC Member Williams Speaks	-	-	Low
30th November 08:15 PM	United States	Chicago PMI	0.36%	0.36%	Medium
30th November 08:30 PM	United States	Pending Home Sales m/m	-1.9%	1.1%	Medium

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold prices yesterday were moving closer to its all-time high as investors sped up bets the Federal Reserve will start cutting interest rates next year. Traders are increasingly positioning for a hard economic landing and aggressive Fed policy easing next year, with speculators in the US Treasury market now the most bullish on record, according to a weekly survey conducted by JPMorgan Chase & Co. since 1991. Bond yields continued to decline as investors digested remarks from Fed officials Wednesday. Federal Reserve Bank of Cleveland President Loretta Mester signaled she would support continuing to hold rates steady at the December meeting, saying policy is “in a good place” to assess whether inflation is on a path back to 2%. While Atlanta Fed President Raphael Bostic said he’s growing increasingly confident that inflation is firmly on a downward path, his Richmond counterpart Thomas Barkin told CNBC the Central Bank should keep the option to hike. Gold has rallied more than 11% since early October, initially fueled by haven buying in the wake of the Israel-Hamas war. Prices now are within sight of the record high set during the pandemic, supported by a drop in the yields paid by global bonds that are on track for their best month since 2008. Data Wednesday showed the US economy growing faster than first estimated in the third quarter, while consumer spending rose less than expected. Later in the week, investors will look to the Fed’s preferred measure of underlying inflation for further clues on the direction of interest rates.

❖ Exchange-traded funds cut 35,881 troy ounces of gold from their holdings in the last trading session, bringing this year’s net sales to 7.18 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$73.2 million at yesterday’s spot price. Total gold held by ETFs fell 7.7 percent this year to 86.6 million ounces. Gold advanced 12 percent this year to \$2,040.97 an ounce and by 1.3 percent in the latest session. State Street’s SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 55,620 ounces in the last session. The fund’s total of 28.3 million ounces has a market value of \$57.8 billion. ETFs added 47,268 troy ounces of silver to their holdings in the last trading session, bringing this year’s net sales to 41 million ounces.

❖ Two Federal Reserve officials made the case for continuing to hold interest rates steady on Wednesday, while a third warned that the risk of stubborn inflation should keep the option to hike further on the table. Cleveland Fed President Loretta Mester, who’s been among the officials calling for higher rates this year, said policy is well positioned for the central bank to be nimble and respond appropriately to the evolving outlook, suggesting she would support another rate pause at the Fed’s rate-setting meeting next month. “Monetary policy is in a good place for policymakers to assess incoming information on the economy and financial conditions and judge whether policy is well calibrated to ensure that inflation is on a timely path back to 2%,” Mester said Wednesday at an event in Chicago. Atlanta Fed President Raphael Bostic, who was among the earliest policymakers to suggest rates had reached their peak, said he’s growing increasingly confident that inflation is firmly on a downward path. Richmond Fed chief Thomas Barkin, who said he isn’t yet convinced, argued the central bank should keep the option to hike interest rates on the table in case inflation proves stubborn, but he stopped short of endorsing a hike next month. “If inflation comes down naturally and smoothly, awesome,” Barkin said at the CNBC CFO Council Summit Wednesday. “But if inflation is going to flare back up, I think you want to have the option of doing more on rates.” All three presidents will be voters on the Fed’s policy-setting committee next year, a time when traders are increasingly betting that the central bank will start cutting interest rates. Billionaire investor Bill Ackman made waves earlier this morning when he said he’s betting the Fed will begin trimming rates even sooner than markets are predicting.

❖ Bond traders ramped up their bets on an abrupt end to the Federal Reserve’s tightening cycle, pricing in the first interest-rate cut by May as a so-called “melt up” in bond prices continues. Yields on two-year Treasuries fell as much as 10 basis points on the day. Swap contracts referencing Fed meeting dates repriced to levels consistent with the policy rate declining by a quarter percentage point from its current range of 5.25%-5.5%; a reduction was previously seen happening a month later in June. A further ginning up of hopes for a swift Fed pivot bolstered US Treasuries, adding to a winning month for holders of US government debt. Multiple block trades supported a steepening of the curve Wednesday, with yields on short-dated Treasuries falling more than those on longer securities; such trades are set to benefit as the US moves closer to rate cuts. Expectations for the path of the Fed’s policy rate have been shifting downward based on indications that US economic growth is decelerating from its third-quarter pace. Billionaire investor Bill Ackman entered the debate over when the central bank will start easing on Wednesday, saying it could be as soon as the first quarter. While Brenner cautioned that there is some risk ahead of a rebound given how quickly yields have plunged over recent weeks, trades on Wednesday showed appetite to pile into short-end debt at the expense of the long-end. A rate cut by May was also briefly priced earlier this year — in September following the release of August employment data — and at least one trader in the options market is positioning for as much as 250 basis points of easing by the Federal Reserve next year.

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 higher for the day; as the precious metal has rallied sharply over the last few weeks as Treasury yields and the dollar have fallen on expectations a dovish pivot in US monetary policy is getting closer.

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	62200	62450	62650	62900	63100	63350
Silver – MCX	Mar	75800	76500	77200	77700	78300	78850

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
102.77	0.02	0.02

Bond Yield

10 YR Bonds	LTP	Change
United States	4.2552	-0.0655
Europe	2.4300	-0.0650
Japan	0.6720	-0.0860
India	7.2510	-0.0250

Emerging Market Currency

Currency	LTP	Change
Brazil Real	4.906	0.0349
South Korea Won	1289.3	-4.5000
Russia Rubble	88.6448	-0.2557
Chinese Yuan	7.1262	-0.0101
Vietnam Dong	24270	30
Mexican Peso	17.2837	0.1429

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.42	-0.02
USDINR	83.37	-0.015
JPYINR	56.7275	0.3175
GBPINR	105.6875	0.385
EURINR	91.5425	0.1475
USDJPY	147.2	-0.45
GBPUSD	1.2676	0.0044
EURUSD	1.0981	0.0023

Market Summary and News

❖ Indian bond traders will wait September-quarter GDP data to assess the strength of the economy and the direction of interest rates. Economists are turning more bullish about India's economy, with growth last quarter likely exceeding the central bank's prediction and this year's expansion expected to be slightly better than previously thought. Gross domestic product probably grew 6.8% in the three months to September from a year ago, a Bloomberg survey of economists showed, higher than the Reserve Bank of India's estimate of 6.5%. Analysts also lifted their growth forecasts for the fiscal year ending in March slightly to 6.3% from 6.2%. India's growth showed "good momentum" in July-September, Economic Affairs Secretary Ajay Seth said in New Delhi on Wednesday. The govt remains confident of meeting the fiscal deficit target for FY24, Seth told reporters on the sidelines on an event. Committed to meet fiscal deficit aim of 4.5% of GDP by 2025-26; USD/INR little changed at 83.3275 on Wednesday. Implied opening from forwards suggests spot may start trading around 83.37. 10-year yields fell 3bps to 7.25% on Wednesday. Overseas investors bought 719.1m rupees of Indian equities on Wednesday, provisional NSE data showed. They bought 380 million rupees of sovereign bonds under limits available to foreign investors, and withdrew 10 million rupees of corporate debt. State-run banks sold 11 billion rupees of sovereign bonds on Nov. 29: CCIL data. Foreign banks bought 29 billion rupees of bonds.

❖ The US dollar reversed early losses to post modest gains as markets weighed diverging remarks on the likely path of interest rates from regional Federal Reserve Bank presidents. The Swiss franc strengthened to the highest level since August. The New Zealand dollar and the yen were also among best performers in the Group-of-10 currencies. The Bloomberg Dollar Spot Index traded up 0.1%, after dropping as much as 0.3%. Atlanta Fed President Raphael Bostic said he's growing increasingly confident that inflation is firmly on a downward path, while his Richmond counterpart Thomas Barkin told CNBC the central bank should keep the option to hike. "Surprising that it's coming from Barkin, who has been one of the leading doves this year," said Win Thin, global head of currency strategy at Brown Brothers Harriman & Co. "Any efforts by the Fed at damage control are likely too little, too late." Fed Chair Jerome Powell is set to speak Friday. USD/CHF fell as much as 0.7% to 0.8720. NZD/USD traded 0.3% up at 0.6156 after gaining as much as 1.2% to 0.6208, the highest since Aug. 1. New Zealand's central bank kept the rates unchanged but said it will hike them in 2024 if inflation doesn't decelerate fast enough. EUR/USD fell 0.2% to 1.0974; Spanish inflation unexpectedly eased, retreating for the first time since June thanks to drops in the costs of fuel and tourism. Inflation in the German state of North Rhine-Westphalia fell to 3% on the year in November from 3.1% in October, indicating a national figure roughly in line with forecasts. USD/JPY declined 0.2% at 147.24, after a drop of 0.8% the day before. GBP/USD traded little changed at 1.2697; Bank of England Governor Andrew Bailey said the central bank is not in a place to discuss interest-rate cuts, in line with his previous comments.

❖ Credit spreads in emerging market debt are narrowing on bets that the Federal Reserve will pivot away from its rate-hiking cycle and investors get back on the hunt for high-yielding assets. The average risk premium for emerging market debt dropped on Wednesday by eight basis points, according to tentative intraday data from JPMorgan Chase & Co. The MSCI Emerging Market Currency Index gained for a third day, pushing its rally in November to 2.9% and setting it up for its biggest monthly gain in a year. EM currencies have extended their gains against the dollar. Currencies from Taiwan, Malaysia, Thailand and South Korea were some of the strongest performers among developing nations on Wednesday. The Colombian peso, South African rand and Polish zloty were some of the biggest losers. Developing nation stocks edged lower Wednesday, paring this month's rally to about 7.4%. Even after recent gains, stocks from developing nations are getting more undervalued compared with their US counterparts. The price-to-earnings ratio on the MSCI Emerging Markets Index has fallen to the lowest in 13 months relative to the S&P 500, driven by the fastest upgrades to earnings estimates in more than two years. Hopes of a Fed pivot have also pushed investors towards emerging-market debt recently. The \$14.3 billion iShares JPMorgan USD Emerging Markets Bond ETF has not seen a single outflow in November, with inflows this month totaling roughly \$1.6 billion, setting it up for its biggest monthly inflow since January. In Panama, however, the country's dollar bonds were among the worst performers in emerging markets, after the nation's government decided to shutter a copper mine owned by First Quantum following a supreme-court ruling. The country's notes due in 2036 slumped as much as 0.8 cent, according to indicative price data compiled by Bloomberg, before paring their losses. JPMorgan Chase & Co., Barclays and Morgan Stanley have all warned that Panama could lose its investment grade rating next year amid the increased uncertainty.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	83.0525	83.1675	82.2355	83.3575	83.4250	83.5075

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update

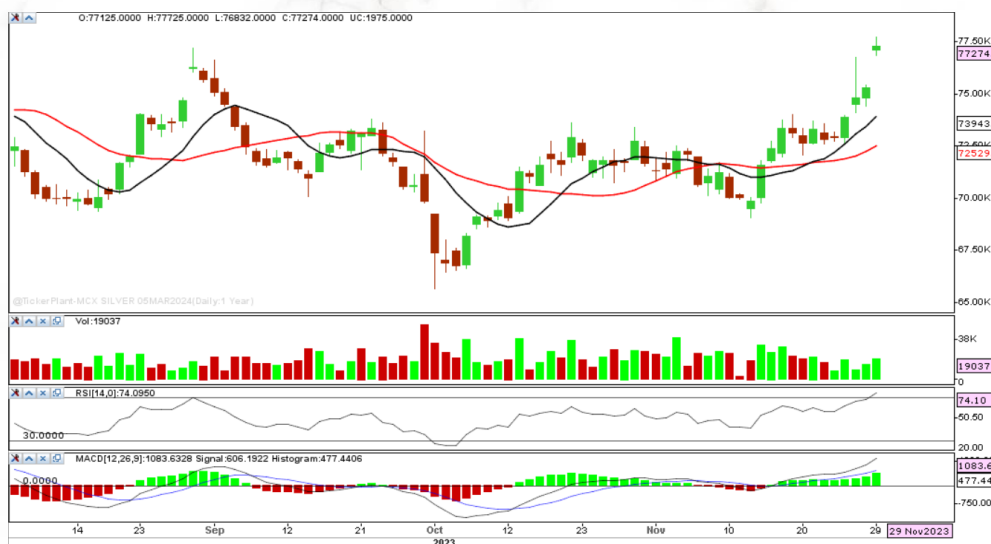


Market View	
Open	62883
High	62934
Low	62538
Close	62808
Value Change	86
% Change	0.14
Spread Near-Next	348
Volume (Lots)	5162
Open Interest	17123
Change in OI (%)	5.72%

Gold - Outlook for the Day

BUY GOLD FEB (MCX) AT 62650 SL 62450 TARGET 62900/63100

Silver Market Update



Market View	
Open	77125
High	77725
Low	76832
Close	77274
Value Change	281
% Change	0.36
Spread Near-Next	1115
Volume (Lots)	19037
Open Interest	20647
Change in OI (%)	11.84%

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	83.375
High	83.3775
Low	83.31
Close	83.37
Value Change	-0.015
% Change	-0.018
Spread Near-Next	-0.1372
Volume (Lots)	1425192
Open Interest	4526289
Change in OI (%)	2.99%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 83.37, which was followed by a session that showed buying from lower level with candle closures near high. A long red 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 83.28 and 83.41.

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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