



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 13th October 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	47213	47335
Gold	995	47024	47145
Gold	916	43247	43359
Gold	750	35410	35501
Gold	585	27620	27691
Silver	999	61654	61638

* Rates are exclusive of GST as of 12th October 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
12 th October 2021	47335	61638
11 th October 2021	47102	61490
08 th October 2021	46980	61080
07 th October 2021	46918	61385

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Dec	1759.30	3.60	0.21
Silver(\$/oz)	Sep	22.51	-0.15	-0.67

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	26th November 2021	1762
Gold Quanto	25th November 2021	47218
Silver (\$/oz)	26th November 2021	22.59

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	985.05	0.00
iShares Silver	16,987.04	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1759.10
Gold London PM Fix(\$/oz)	1767.75
Silver London Fix(\$/oz)	22.64

Weekly CFTC Positions

	Long	Short	Net
Gold	1,40,590	72,749	67,841
Silver	47,418	42,788	4,630

Gold Ratio

Gold Silver Ratio	78.14
Gold Crude Ratio	21.82

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	13996.56	22.60	0.16%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
13 th October 6:00PM	United States	CPI m/m	0.3%	0.3%	High
13 th October 6:00PM	United States	Core CPI m/m	0.2%	0.1%	High
13 th October 11:30PM	United States	FOMC Meeting Minutes	-	-	High



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold rose as Treasury yields declined, with investors assessing inflationary pressures from rising energy prices and the outlook for monetary policy. U.S. stocks fluctuated while Treasury 10-year yields fell, boosting demand for non-interest-bearing bullion. Traders will be on the lookout for cues on the Federal Reserve’s taper timeline from the U.S. consumer price index Wednesday. The data are expected to show cost pressures remained elevated last month. While minutes from the Federal Reserve’s latest meeting are likely to signal a scaling back of asset purchases soon, the latest miss on jobs data may complicate the timing of when tapering could start. Bullion has struggled for direction lately amid a dearth of interest from investors. So far, surging energy prices and mounting fears of stagflation have failed to spark buying, despite equities remaining under pressure.
- Exchange-traded funds added 2,523 troy ounces of gold to their holdings in the last trading session, bringing this year's net sales to 8.3 million ounces, according to data compiled by Bloomberg. The purchases were equivalent to \$4.43 million at yesterday's spot price. ETFs cut 1.69 million troy ounces of silver from their holdings in the last trading session, bringing this year's net purchases to 22.3 million ounces.
- Copper and gold miner Freeport Indonesia begins construction of the world’s biggest single-line smelter that could create 40,000 jobs, according to President Joko Widodo in the ground-breaking event of the project on Tuesday. The facility is built on an area of 3,000 hectares in Gresik, East Java province with a total investment of \$3 billion, Coordinating Minister for Economic Affairs Airlangga Hartarto says in the same event. Gresik smelter will process 1.7m tons of concentrates annually to produce 600,000 tons of copper and 35-50 tons of gold. Freeport Indonesia is likely to report higher revenue and net income due to surging copper prices, greater production capacity and better efficiency, says State-Owned Minister Erick Thohir. Widodo, known as Jokowi, orders all state-owned and private miners to develop downstream industry to add value to products.
- Federal Reserve Bank of Atlanta President Raphael Bostic said this year’s inflation surge is lasting longer than policymakers expected, so it’s not appropriate to refer to such price increases as transitory. “Transitory is a dirty word,” Bostic said in a virtual speech to the Peterson Institute for International Economics on Tuesday. He spoke with a glass jar labelled “transitory” at his side, depositing \$1 each time he used the “swear word,” as it’s become known to him and his staff over the past few months. “It is becoming increasingly clear that the feature of this episode that has animated price pressures — mainly the intense and widespread supply-chain disruptions — will not be brief,” Bostic said. “By this definition, then, the forces are not transitory.” Bostic, who votes on monetary policy this year, endorsed the Federal Open Market Committee’s plans to taper its \$120 billion in monthly asset purchases, which is likely to start at its November meeting.

Fundamental Outlook: Gold and silver prices are trading slightly higher today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly higher for the day. Buy on dips in intra-day trading session is advisable, as Treasury yields retreated ahead of the release of a report Wednesday that is expected to show U.S. inflation remained elevated. Traders are waiting for consumer price index data to assess inflationary pressures from rising energy prices and gauge the outlook for monetary policy.

Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1670	1690	1730	1765	1780	1800
Silver – COMEX	December	21.45	21.80	22.20	22.80	23.15	23.54
Gold – MCX	December	46670	46850	47050	47250	47400	47550
Silver - MCX	December	60200	60700	61300	61750	62200	62850



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
94.52	0.20	0.21

Bond Yield

10 YR Bonds	LTP	Change
United States	1.5769	-0.0350
Europe	-0.0870	0.0350
Japan	0.0930	0.0020
India	6.3260	-0.0180

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5391	0.0306
South Korea Won	1198.65	3.8500
Russia Ruble	71.8676	-0.0143
Chinese Yuan	6.4489	-0.0017
Vietnam Dong	22748	-10
Mexican Peso	20.7793	-0.0938

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.74	-0.08
USDINR	75.6	0.1025
JPYINR	66.725	-0.1425
GBPINR	102.9125	0.045
EURINR	87.3575	0.015
USDJPY	113.18	0.29
GBPUSD	1.3614	-0.002
EURUSD	1.156	-0.0013

Market Summary and News

- The euro-area economy is entering a more difficult phase of its recovery. The easy initial gains from last year's slump have now been banked and hurdles lie ahead. Good progress on rolling out vaccines has allowed consumer services to reopen rapidly across the region. We forecast GDP will expand by 2% in 3Q. The rapid deployment of EU recovery funds should give the region an additional boost as this year comes to an end and 2022 begins. We expect GDP to reach its pre-pandemic level by 4Q. However, downside risks to the outlook have intensified. A series of international supply shocks are hitting the region's industrial sector while lifting inflation, which could weigh on real spending. Against this backdrop, the European Central Bank is facing a heated debate on the future of asset purchases in December.
- Euro-area manufacturers are battling a crisis in global supply which is holding back production and are now facing a surge in energy costs. With supply bottlenecks, especially for semiconductors, showing no sign of alleviating, the industrial sector is set to weigh on the recovery through the end of this year. Progress on vaccination is allowing a rapid rebound in activity in hospitality, recreation, retail and travel services, and these sectors will remain the primary drivers of growth through 2H. Construction and some business services should also get a boost from EU recovery funds in the coming quarters. Still, poor industrial prospects are raising downside risks to our forecast for GDP growth of to 2% in 3Q and 1.2% in 4Q.
- India's rupee declined to its lowest level since July last year as elevated oil prices and a stronger dollar continue to weigh on sentiment. Bond traders look forward to a report that's likely to show price pressures slowed. USD/INR rises 0.1% to 75.4375 on Tuesday after climbing to 75.4575 intraday, the highest since July 2020. Pair fell ~0.3% earlier on possible RBI intervention. Tapering by global central banks and oil pressure mean the bias is toward the dollar strength. Every dip would be a temporary correction and the bias is on the upside for USD/INR, which could rise by a further 1-1.5 rupees by the end of the year. The intervention by the RBI in the morning at the open was witnessed, but it's not very aggressive selling. Exporters have also been selling at 75.40-50 levels. This is a temporary fall though, and the trend of rupee weakening will continue.
- Dollar rallied almost 5% from its May low, bulls are overcrowded and overstretched, especially as the greenback now looks historically expensive, but while these will be important factors when sentiment sours, bullish leg is most likely to continue for the dollar. Adjusting to a more bullish U.S. dollar outlook proved well-judged in 3Q, and the dominant market view has gradually shifted from overwhelmingly bearish at the start of the year to the opposite extreme into 4Q, with the position now looking overcrowded. This was well captured by the weekly CFTC figures which show a gradual increase in dollar exposure over the past few months. This isn't likely to be a driver in the near term, and on its own doesn't mean the time has come to embrace the bears, but this is an important consideration and means the dollar will be at risk of larger retreats when risk sentiment eventually changes. The greenback is trading about 8% below its 2020 high, so there's arguably room for more upside for those considering a return to pre-pandemic levels.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.8500	75.0500	75.2000	75.5200	75.6500	75.7800



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View

Open	47099
High	47420
Low	47036
Close	47198
Value Change	147
% Change	0.31
Spread Near-Next	184
Volume (Lots)	6671
Open Interest	13149
Change in OI (%)	-0.94%

Gold - Outlook for the Day

Gold prices trading rangebound We believe that the metals are trading supportive around 1700-1680 zone so recommending going long for a target of 1770-80 We believe that the commodity can see support at lower levels and bounce back. Try to buy on dips between 1720-30.

BUY GOLD DEC (MCX) AT 47050 SL 46830 TARGET 47400/47500

Silver Market Update



Market View

Open	61738
High	62137
Low	61211
Close	61586
Value Change	-158
% Change	-0.26
Spread Near-Next	489
Volume (Lots)	14025
Open Interest	10768
Change in OI (%)	3.15%

Silver - Outlook for the Day

Silver prices too trading range bound. The immediate support is around the 22.24 so we are recommending going long around 22.25-25 Target 22.80-23.

BUY SILVER DEC (MCX) AT 61300 SL 60700 TARGET 62200/62550



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	75.64
High	75.785
Low	75.2675
Close	75.6
Value Change	0.1025
% Change	0.14
Spread Near-Next	-1.4668
Volume	3319106
Open Interest	2042087
Change in OI (%)	3.60%

USDINR - Outlook for the Day

USDINR witness a positive open at 75.64 followed by a zig zag momentum to give a flat closure in red at 75.59. On the daily chart, the pair has formed a flat red candle which gave closure in higher highs and lows indicating positive bias and support at lower lows. The pair has managed to give closure above all the moving averages on the daily chart indicating bullish sentiment in the pair. USDINR if breaches the support of 75.58 will go on to test the lows of 75.39 – 75.20 and one can go short for the same. However, an open above 75.78 could test the highs of 75.95-76.10. The daily strength indicator RSI and momentum oscillator Stochastic both have moved above their respective reference line indicating positive bias in the pair.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR October	75.0000	75.2000	75.3800	75.6000	75.7200	75.8000



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