



India Bullion and Jewellers Association Ltd.

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Daily Bullion Physical Market Report

Date: 14th October 2021

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	47307	47487
Gold	995	47118	47297
Gold	916	43333	43498
Gold	750	35480	35615
Gold	585	27675	27780
Silver	999	61749	62136

* Rates are exclusive of GST as of 13th October 2021
Gold in Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	Gold*	Silver*
13 th October 2021	47487	62136
12 th October 2021	47335	61638
11 th October 2021	47102	61490
08 th October 2021	46980	61080

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

COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Dec	1794.70	35.40	2.01
Silver(\$/oz)	Sep	23.17	0.66	2.91

Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	26th November 2021	1792.9
Gold Quanto	25th November 2021	47936
Silver (\$/oz)	26th November 2021	22.98

ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	982.72	-2.33
iShares Silver	16,987.04	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1767.45
Gold London PM Fix(\$/oz)	1785.70
Silver London Fix(\$/oz)	22.89

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	77.46
Gold Crude Ratio	22.31

MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	14019.16	235.19	1.68%

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
14 th October 6:00PM	United States	PPI m/m	0.6%	0.7%	High
14 th October 6:00PM	United States	Core PPI m/m	0.5%	0.6%	Medium
14 th October 6:00PM	United States	Unemployment Claims	315K	326K	Medium
14 th October 7:30PM	United States	FOMC Member Bostic Speaks	-	-	Low
14 th October 10:30PM	United States	FOMC Member Barkin Speaks	-	-	Medium



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Nirmal Bang Securities - Daily Bullion News and Summary

- Gold rose to the highest in nearly a month as Treasury yields and the dollar slumped amid concerns rising prices may hinder a nascent economic recovery. The yield on the 10-year Treasury note fell after an initial increase following a U.S. inflation report that showed a faster-than-expected rise in consumer prices last month. The greenback dipped to a session low. Both movements are helping boost demand for non-interest-bearing bullion. The precious metal has been struggling for direction recently as mixed economic data complicated the Federal Reserve’s timetable on reducing monetary stimulus, which was a key pillar in gold’s rally last year. Fears of stagflation - where high inflation coincides with slower growth - are also providing some support for bullion as a haven asset.
- Exchange on gold and silver futures in 2017 is preparing to abandon the project, Reuters reports, citing three unidentified people with direct knowledge of the matter. The partners could abandon the project after the desired volumes were not reached. LME’s partners included Goldman Sachs, Morgan Stanley, ICBC Standard, Natixis, OSTC and the World Gold Council. Dealers including JPMorgan and HSBC shunned the contracts and after partner Societe Generale closed most of its commodity’s business in 2019, trading almost disappeared. LME chief executive Matt Chamberlain told Reuters that the deal had an initial term of 5 years and it’s possible the partners don’t continue after 2022.
- Federal Reserve officials broadly agreed last month they should start reducing emergency pandemic support for the economy in mid-November or mid-December amid increasing concern over inflation. “Participants generally assessed that, provided that the economic recovery remained broadly on track, a gradual tapering process that concluded around the middle of next year would likely be appropriate,” minutes of the Sept. 21-22 Federal Open Market Committee meeting released Wednesday said. “Participants noted that if a decision to begin tapering purchases occurred at the next meeting, the process of tapering could commence with the monthly purchase calendars beginning in either mid-November or mid-December.” The minutes showed Fed officials wrestling with puzzles squarely within their mandate. They discussed whether labour supply would bounce back to 2019 levels and continued to bet that elevated inflation would subside as supply constraints in markets for products and people eased up. The decision to taper this year is also about managing the risk that they are wrong on prices.
- The guidance in the September FOMC minutes is clear: the cost of quantitative easing now outweighs the benefits. That means they will very likely look through the weak September jobs report. Taper will be almost certainly announced at the November meeting -- and could even begin as early as that month. Other details from the minutes suggest the pace of asset-purchase reductions, likely \$15 billion per month, should be more on autopilot compared with the 2013-14 playbook, and the taper may be completed around July 2022. Though Fed Chair Jerome Powell had already hinted at this in his post-meeting press conference, the minutes revealed some nuggets of new information: Taper details: Staff presented an “illustrative” path for taper, which matches Bloomberg Economics’ baseline: a reduction of \$10 billion in Treasuries/\$5 billion in mortgage-backed securities (MBS) per month. Participants generally thought this path was “appropriate.” Still, “several participants” wanted a more rapid reduction. Market expectations: The Fed’s September survey of primary dealers -- a gauge of market forecasts the FOMC pays keen attention to -- saw December as most likely for the first reduction, but also saw a significant probability of a November start.

Fundamental Outlook: Gold and silver prices are trading 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 investors weighed concerns around stubbornly high inflation and the looming reduction in stimulus. The U.S. consumer price index rose in September by more than forecast, resuming a faster pace of growth and underscoring the persistence of inflationary pressures in the economy.

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	47350	47500	47730	48000	48200	48450
Silver - MCX	December	61200	61800	62350	63200	63600	64100



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Nirmal Bang Securities - Daily Currency Market Update

Dollar index

LTP/Close	Change	% Change
94.08	-0.44	-0.46

Bond Yield

10 YR Bonds	LTP	Change
United States	1.5368	-0.0401
Europe	-0.1290	-0.0420
Japan	0.0930	0.0000
India	6.3150	-0.0120

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5154	-0.0237
South Korea Won	1193.95	-4.7000
Russia Ruble	72.0027	0.1351
Chinese Yuan	6.4284	-0.0205
Vietnam Dong	22751	3
Mexican Peso	20.5526	-0.2267

NSE Currency Market Watch

Currency	LTP	Change
NDF	75.5	0.02
USDINR	75.4825	-0.1175
JPYINR	66.475	-0.25
GBPINR	102.815	-0.0975
EURINR	87.2725	-0.085
USDJPY	113.42	0.24
GBPUSD	1.3617	0.0003
EURUSD	1.1563	0.0003

Market Summary and News

- India's rupee is set to gain for the first day in four amid a rally in stocks that are headed for new record highs. Bonds advanced after a report late Tuesday showed retail inflation eased. The prime reason for the rupee's strength is all-time highs for equities. Exporter selling, expectations of big inflows for upcoming IPOs and positive sentiment from equities are all boosting the rupee. India's consumer prices rose at the slowest pace in five months, supporting the case for the central bank to keep interest rates lower for longer to aid economic growth. Consumer prices rose 4.35% in September from a year earlier compared to 5.3% in August, the Statistics Ministry said in a statement Tuesday. Repo rate movement may be pushed back a little bit more now because of the inflation print as November inflation will start rising again because the base effect will vanish.
- The U.K. economy grew less than expected in August as shoppers reined in spending, raising doubt about whether output will return to pre-pandemic levels this year. Gross domestic product rose 0.4% in August, the Office for National Statistics said Wednesday. A series of revisions showed an unexpected drop in July, leaving the economy 0.8% smaller than it was when Covid-19 struck in February 2020. The figures add to evidence Britain's recovery is being squeezed by supply shortages and a jump in the cost of goods. That may give the Bank of England reason to delay an increase in interest rates that financial markets anticipate will come this year. The prospect of rising costs, further disruptions, and a potential winter wave of Covid cases could threaten a fragile economic recovery. Growth of more than 2% will be needed in September if the third quarter overall is to expand by 2.1%, as the BOE recently predicted. That's unlikely, meaning the economy may remain short of pre-Covid levels on a quarterly basis until next year. The final quarter of the year will be challenging amid a continued supply crisis, soaring energy prices and a squeeze on household incomes and quarterly GDP is not expected to reach its pre-pandemic level until early next year.
- The report comes a day after data showing the labor market remained in robust health last month, reflecting a boom in hiring after the end of lockdowns. Policy makers are hoping that means employers will absorb many of the 1 million people who were still receiving furlough benefits when the program ended on Sept. 30. Total imports of goods, excluding precious metals, fell 3.1% in August, while total exports also dropped 4.6%, with the gap between imports to European Union countries and non-EU members closing to its narrowest since the end of the Brexit transition period. The ONS said it was unclear whether this reflected short-term pandemic disruption or longer-term supply chain recalibration. With the ongoing pandemic and recession, it is difficult to assess the extent to which this reflects short-term trade disruption or longer-term supply chain adjustments. Brexit red tape and limits to doing business with the EU remain the biggest pressure point on firms' bottom lines Added to the mix is the uncertainty created by the Northern Ireland border dispute that further enforces the narrative that this could be a difficult winter for trading with the U.K. Gains in growth since lockdown are a fill up for Chancellor of the Exchequer Rishi Sunak as he prepares to deliver his annual Budget on Oct. 27. The budget deficit in the current fiscal year is forecast to come in well below official forecasts made in March, though progress in repairing the public finances is expected to slow.

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	47215
High	47999
Low	47131
Close	47916
Value Change	718
% Change	1.52
Spread Near-Next	163
Volume (Lots)	11069
Open Interest	13780
Change in OI (%)	4.58%

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 47730 SL 47480 TARGET 48100/48200

Silver Market Update



Market View

Open	61760
High	63200
Low	61757
Close	62887
Value Change	1301
% Change	2.11
Spread Near-Next	473
Volume (Lots)	19071
Open Interest	10031
Change in OI (%)	-7.35%

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 62350 SL 61800 TARGET 63000/63300



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	75.53
High	75.605
Low	75.2725
Close	75.4825
Value Change	-0.1175
% Change	-0.16
Spread Near-Next	-1.3493
Volume	3052544
Open Interest	1927853
Change in OI (%)	-5.93%

USDINR - Outlook for the Day

USDINR witness a weak open at 75.53 followed by strong session in red marking the low at 75.27 with closure in red at 75.48. On the daily chart, the pair has formed a flat red candle which gave closure in lower highs and lows indicating weakness afoot. The pair has managed to give closure above all the moving averages on the daily chart indicating supportive sentiment in the pair. USDINR if breaches the support of 75.42 will go on to test the lows of 75.31 – 75.20 and one can go short for the same. However, an open above 75.55 could test the highs of 75.70-75.83. 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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