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India Bullion and Jewellers Associations Ltd.

Since 1919



Daily Bullion Physical Market Report

Date: 22nd September 2023

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	59255	59072
Gold	995	59018	58835
Gold	916	54278	54110
Gold	750	44441	44304
Gold	585	34664	34557
Silver	999	72109	71971

Rate as exclusive of GST as of 21st September 2023 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
21 st September 2023	59072	71971
20 th September 2023	59317	72204
18 th September 2023	59324	72212
15 th September 2023	59016	71853

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	Dec 23	1939.60	-27.50	-1.40
Silver(\$/oz)	Dec 23	23.69	-0.15	-0.63

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	878.25	-0.58
iShares Silver	13,966.51	-34.22

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1923.40
Gold London PM Fix(\$/oz)	1915.00
Silver London Fix(\$/oz)	23.24

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	OCT. 23	1922.5
Gold Quanto	OCT. 23	58842
Silver(\$/oz)	DEC. 23	23.70

Gold Ratio

Description	LTP
Gold Silver Ratio	81.88
Gold Crude Ratio	21.64

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	130952	81156	49796
Silver	32232	31048	1184

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	15850.54	-125.03	-0.79 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
22 nd September 01:30 PM	Europe	Flash Manufacturing PMI	44.0	43.5	Medium
22 nd September 01:30 PM	Europe	Flash Services PMI	47.7	47.9	Medium
22 nd September 02:00 PM	Britain	Flash Manufacturing PMI	43.3	43.0	High
22 nd September 02:00 PM	Britain	Flash Services PMI	49.3	49.5	High
22 nd September 06:20 PM	United States	FOMC Member Cook Speaks	-	-	Low
22 nd September 07:15 PM	United States	Flash Manufacturing PMI	8.2	47.9	High
22 nd September 07:15 PM	United States	Flash Services PMI	50.7	50.5	High
22 nd September 10:30 PM	United States	FOMC Member Kashkari Speaks	-	-	Low



Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold edged lower as markets considered hawkish commentary from the Federal Reserve, after US policymakers signaled interest rates will remain higher for longer. The Federal Open Market Committee on Wednesday held its target range at 5.25% to 5.5%, while updated quarterly projections showed 12 of 19 officials favored another rate hike in 2023. Policymakers also see less easing next year, according to the new forecasts. Bullion erased an earlier gain after the decision, before extending losses Thursday as the dollar strengthened. The metal has largely remained range-bound since mid-May as traders keep pushing out the timing of when the Fed is expected to start monetary easing. Higher rates are typically negative for non-interest bearing bullion. Treasury yields surged to multi-year highs following the September meeting and bond traders are bracing for levels to keep pushing higher, according to a Bloomberg survey. Focus will now shift back to economic data that could shift policymaker's views on more tightening.

❖ Exchange-traded funds cut 79,655 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 4.98 million ounces, according to data compiled by Bloomberg. This was the 14th straight day of declines, the longest losing streak since July 13. The sales were equivalent to \$153.8 million at yesterday's spot price. Total gold held by ETFs fell 5.3 percent this year to 88.8 million ounces, the lowest level since March 25, 2020. Gold advanced 5.8 percent this year to \$1,930.30 an ounce and fell by 0.1 percent in the latest session. State Street's SPDR Gold Shares, the biggest precious-metals ETF, pared its holdings by 18,560 ounces in the last session. The fund's total of 28.2 million ounces has a market value of \$54.5 billion. ETFs also cut 77,554 troy ounces of silver from their holdings in the last trading session, bringing this year's net sales to 27 million ounces.

❖ A union representing striking Mexican miners is reviewing an offer from Newmont Corp., in what could be a breakthrough in a more than three-month-long stalemate. The union led by Senator Napoleon Gomez Urrutia may give its response as soon as Friday, he told newspaper El Financiero. His assistant confirmed that a proposal had been received. Negotiations are underway, an external public relations representative for Newmont said in a text message. About 2,000 unionized workers at Penasquito — Mexico's largest gold mine — downed tools in early June in a dispute over profit sharing and alleged contract breaches. A deal would come as a relief for Chief Executive Officer Tom Palmer who visited Mexico in August to lobby for a resolution of the stoppage. Penasquito, in Zacatecas in the center-north region of Mexico, is a major supplier of gold, silver, zinc and lead. The strike marks the third labor dispute since Newmont bought Penasquito as part of its takeover of Goldcorp Inc. in 2019. It brought in \$2.8 billion in sales in 2022.

❖ Treasury 10-year yields edged above 4.5% for the first time since 2007, underscoring how this week's Federal Reserve meeting is cementing the higher for longer policy rates outlook. Bond investors face a third year of losses after the US central bank once again raised its projections for future borrowing costs. Every benchmark Treasury bond maturity has hit the highest level in more than a decade this week, with the prospects that yields will keep advancing. The 10-year yield rose almost 1 basis point to 4.5023% before paring on Friday in Asia trading. That on the 30-year bonds climbed one basis point to 4.58%, adding to the 13 basis point gain on Thursday that took it to the highest since 2011. A Bloomberg index shows the Treasury market is down 1.2% this year, after it peaked in April when it was up by more than 4%. This follows declines of 13% and more than 2%, respectively, in the preceding two years. The pain isn't over even if the Fed stops raising interest rates, according to Bill Gross, the former chief investment officer of Pacific Investment Management Co. He expects the central bank to refrain from further hikes, but sticky inflation and widening deficits will drive losses. His views were written in an outlook before the Fed's meeting Wednesday. The Fed's so-called dot plot of projections shows policymakers plan to raise their target rate again by year's end to a range of 5.5%-5.75%. That would mean a total increase of 125 basis points for 2023, whereas swaps traders at the end of last year were pricing in one more increase at most.

❖ The Bank of England halted for now the most aggressive cycle of interest-rate rises in more than three decades as concerns about inflation gave way to signs the economy is slipping into a recession. The central bank held its key rate at 5.25%, ending a series of 14 successive hikes since December 2021, when rates were just 0.1%. Five members of the Monetary Policy Committee voted to leave rates unchanged and four wanted to raise them to 5.5%. Governor Andrew Bailey, who had the casting vote, chose to hold. The BOE, however, signaled that policy was only on pause and it would respond if inflation, which remains more than three times above the 2% target, doesn't fall as expected. The MPC forecasts consumer-price inflation to hit the target in the second quarter of 2025. "Inflation has fallen a lot in recent months and we think it will continue to do so," Bailey said Thursday in statement released with the decision. "That's welcome news. But there is no room for complacency. We need to be sure inflation returns to normal and we will continue to take the decisions necessary to do just that." Investors and a growing number of economists are betting that UK rates may already have peaked. The pound fell to the weakest since March against the dollar as traders trimmed bets on further interest-rate hikes. Markets were split before the decision, betting on a roughly 50% chance of a vote to hold, after data showed inflation unexpectedly fell in August. Traders are now pricing in less than a full quarter-point increase of further tightening over the coming months. Goldman Sachs and Nomura said on Wednesday that rates won't rise again in this cycle. Sterling traded as much as 0.9% weaker at \$1.2239, taking a slide over the past month to around 4%, the biggest decline across Group-of-10 peers.

Fundamental Outlook: Gold and silver prices are trading positive on the international bourses. We expect gold and silver prices to trade range-bound to slightly higher for the day, as gold prices edged higher after dropping the most in more than two weeks in the previous session as markets digested hawkish commentary from the Federal Reserve.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	Dec	1900	1920	1935	1948	1960	1977
Silver – COMEX	Dec	23.27	23.45	23.70	23.85	24.10	24.35
Gold – MCX	Oct	58500	58700	58850	59000	59250	59450
Silver – MCX	Dec	71300	71800	72600	73300	73800	74400



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Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
105.36	0.04	0.03

Bond Yield

10 YR Bonds	LTP	Change
United States	4.4942	0.0871
Europe	2.7340	0.0350
Japan	0.7430	0.0160
India	7.1630	-0.0120

Emerging Market Currency

Currency	LTP	Change
Brazil Real	4.9351	0.0553
South Korea Won	1339.75	9.6000
Russia Rubble	96.0883	-0.1211
Chinese Yuan	7.3064	0.0201
Vietnam Dong	24303	13
Mexican Peso	17.2331	0.1401

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.24	-0.31
USDINR	83.065	-0.0575
JPYINR	56.2425	-0.06
GBPINR	101.9425	-0.8775
EURINR	88.4625	-0.535
USDJPY	147.78	0.18
GBPUSD	1.2278	-0.0095
EURUSD	1.0649	-0.0059

Market Summary and News

❖ Indian government bonds and the rupee are set to rally after JPMorgan said it will include the nation's debt in its emerging market bond index. The currency is trading higher in the offshore market. USD/INR 1-month NDF down 0.4% to 82.93. The index provider will add Indian securities to the JPMorgan Government Bond Index-Emerging Markets starting June 28, 2024. The South Asian nation will have a maximum weight of 10% on the index, according to a statement Thursday. Inclusion will be staggered over 10 months at roughly 1% weight per month, it said. JPMorgan's inclusion of Indian bonds is a big announcement, as this was not the base case for most market watchers, says Nathan Sribalasundaram, South East Asia and India rates strategist at Nomura. "I expect to see a decent move in India yields today." 5-year OIS may trade 20bps lower while government bond yields may drop 15bps. USD/INR little changed at 83.0925 on Thursday. Implied opening from forwards suggest spot may start trading around 82.85. 10-year yields fell 1bps to 7.16% on Thursday. RBI to hold 500b rupees 14-day reverse repo auction. Global funds sold 170 million rupees of sovereign bonds under limits available to foreign investors Thursday, and withdrew 320 million rupees of corporate debt. State-run banks sold 13 billion rupees of sovereign bonds on Sept. 21: CCIL data. Foreign banks bought 4.89 billion rupees of bonds.

❖ The dollar touched its strongest level since March following rate pauses from the Swiss National Bank and Bank of England, before paring gains. With global stocks solidly in the red, the yen led G-10 gains against the greenback amid haven flows ahead of the Bank of Japan meeting Friday. The Bloomberg Dollar Spot Index rose as much as 0.4% before erasing most of advance; it touched highest since a peak in hawkish Fed bets in early March, pre-banking crisis. Yields on long-end Treasuries rose after FOMC decision and lower-than-expected jobless claims; 30-year eclipsed 4.5%, highest since 2011, while auction for 10-year TIPS awarded at 2.094%, highest since 2009. After SNB held key rate at 1.75%, USD/CHF reaches highest since June, now up 0.5% to 0.9032; EUR/CHF jumped the most since January; franc daily range well above recent averages. Sterling fell to its weakest against USD in about six months after hold from the BOE before paring drop; GBP/USD now down 0.3% to 1.2304. Growing expectations of no more hikes from BOE: "Indeed, economic activity is clearly slowing, the labor market is loosening, and much of the effect of higher interest rates is still to work its way through the economy. We expect rate cuts to start in 3Q24 or sooner," wrote Daniel Vernazza, chief international economist at UniCredit Bank in London. USD/JPY falls 0.6% to 147.47, making yen strong outperformer on the day as traders eye BOJ policy meeting Friday; in Asia trading, yen touched 148.46 per dollar, weakest since Nov., before reversing losses. "They have to do something extraordinary at the Bank of Japan to stand in the way of this tide of rising yields in the US," said Kit Juckes, Societe Generale's chief FX strategist, on Bloomberg Television. "Jawboning is not going to get us much further than we are today."

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	82.6575	82.7875	82.8955	83.0175	83.0950	83.1975



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Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	59315
High	59315
Low	58685
Close	58822
Value Change	-583
% Change	-0.98
Spread Near-Next	521
Volume (Lots)	6108
Open Interest	7463
Change in OI (%)	-10.37%

Gold - Outlook for the Day

SELL GOLD OCT (MCX) AT 59000 SL 59250 TARGET 58700/58550

Silver Market Update



Market View	
Open	72970
High	73145
Low	71370
Close	73068
Value Change	-162
% Change	-0.22
Spread Near-Next	0
Volume (Lots)	29350
Open Interest	15651
Change in OI (%)	0.51%

Silver - Outlook for the Day

BUY SILVER DEC (MCX) AT 72600 SL 71800 TARGET 73300/73800



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Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View

Open	83.12
High	83.185
Low	83.0075
Close	83.065
Value Change	-0.0575
% Change	-0.07
Spread Near-Next	0
Volume (Lots)	2531335
Open Interest	3471094
Change in OI (%)	-4.61%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 83.12, which was followed by a session that showed profit booking from higher levels with candle closures near the low. A long red candle formed for the USDINR price as it taken the support of 20 day moving average placed at 82.97. On the daily chart, the momentum indicator RSI moving south 50 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 82.90 and 83.08.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR September	82.7025	82.8075	82.9775	83.1525	83.2525	83.3575



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