

Daily Bullion Physical Market Report

Date: 01st April 2024

Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	66971	67252
Gold	995	66703	66983
Gold	916	61345	61603
Gold	750	50228	50439
Gold	585	39178	39342
Silver	999	74011	74127

Rate as exclusive of GST as of 28th March 2024 Gold is Rs/10 Gm & Silver in Rs/Kg

Gold and Silver 999 Watch

Date	GOLD*	SILVER*
28 th March 2024	67252	74127
27 th March 2024	66716	73997
26 th March 2024	66716	74279
22 nd March 2024	66268	74052

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

COMEX Futures Watch

Description	Contract	Close	Change	%Chg
Gold(\$/oz)	JUN 24	2238.40	13.50	0.61
Silver(\$/oz)	MAY 24	24.92	0.13	0.52

ETF Holdings as on Previous Close

ETFs	In Tonnes	Net Change
SPDR Gold	830.15	0.00
iShares Silver	13,190.55	0.00

Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	-
Gold London PM Fix(\$/oz)	-
Silver London Fix(\$/oz)	-

Bullion Futures DGCX

Description	Contract	LTP
Gold(\$/oz)	APR. 24	2241.8
Gold Quanto	JUNE 24	67697
Silver(\$/oz)	MAY. 24	25.00

Gold Ratio

Description	LTP
Gold Silver Ratio	89.84
Gold Crude Ratio	26.91

Weekly CFTC Positions

	Long	Short	Net
Gold(\$/oz)	183265	25545	157720
Silver	53782	23600	30182

MCX Indices

Index	Close	Net Change	% Chg
MCX iCOMDEX Bullion	16875.57	166.90	0.99 %

Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
01st April 07:15 PM	United States	Final Manufacturing PMI	52.5	52.5	Low
01st April 07:30 PM	United States	ISM Manufacturing PMI	48.5	47.8	High
01st April 07:30 PM	United States	ISM Manufacturing Prices	53.3	52.5	Medium
01st April 07:30 PM	United States	Construction Spending m/m	0.7%	-0.2%	Low

Nirmal Bang Securities - Daily Bullion News and Summary

❖ Gold climbed to another all-time high, surpassing its most recent record set last week and extending a weeks-long rally fueled by bets on Federal Reserve rate cuts and deepening geopolitical tensions. Prices jumped as much as 1.7% to \$2,231.83 an ounce on Thursday. While the expected pivot by the Fed is positive for non-interest-bearing gold, the sharp rally over the past month has been marked by often-outsized moves that lacked a clear news trigger to justify the gains, as investors have piled into the bullion market. Persistent tensions in the Middle East and Ukraine have bolstered the precious metal's role as a haven asset, while central bank buying supported prices at historically high levels over the past year, despite rising interest rates. This week, bullion has also seen some support from falling yields on US Treasuries, driven by strong results at two auctions for five- and seven-year notes on Tuesday and Wednesday, respectively. A key US inflation gauge due for release on Friday will provide a test for this week's rally. The data is expected to show price growth probably remained uncomfortably high in February, which could hinder plans by US policymakers to implement three interest rate cuts this year. Higher rates are typically negative for the non-interest bearing precious metal. Fed Governor Christopher Waller on Wednesday supported the argument for delayed or fewer cuts this year, calling for "at least a couple months of better inflation data" before pivoting to lower borrowing costs. Swaps markets have trimmed wagers for a rate reduction in June to 57% from 69% late last week.

❖ Money managers have increased their bullish gold bets by 253 net-long positions to 157,720, weekly CFTC data on futures and options show. Long-only positions fell 3,416 lots to 183,265 in the week ending March 26. The long-only total was the lowest in three weeks. Short-only positions fell 3,669 lots to 25,545. The short-only total was the lowest in about 11 months. Money managers have decreased their bullish silver bets by 7,637 net-long positions to 30,182, weekly CFTC data on futures and options show. Long-only positions rose 99 lots to 53,782 in the week ending March 26. The long-only total was the highest in more than eight months. Short-only positions rose 7,736 lots to 23,600. The short-only total was the highest in three weeks.

❖ Vietnam's National Financial and Monetary Policy Advisory Council proposed ending the government's monopoly on gold bar production and gold imports because the metal is no longer used as a major currency. The 12-year-old regulation putting the government in control of gold "has achieved success and fulfilled its mission," the council said, according to a post on the government's website on Friday. The council proposed the change, which would allow more companies to produce gold bars, to the government and the central bank. The proposal comes after the government has repeatedly directed the central bank and other agencies to stabilize Vietnam's gold market and narrow the gap between domestic and world gold bar prices. Prime Minister Pham Minh Chinh told the State Bank to submit a plan to revise the gold market management regulation soon, according to a separate post on the government's website. In Vietnam, gold was trading at 81 million dong (\$3,266) per tael at 10 a.m. local time, up from 77.6 million per tael at the start of the month, according to the website of the Saigon Jewelry Co., the only gold bar producer licensed by the State Bank.

❖ Russia's central bank said it has no better options than the Chinese yuan for its reserves after two years of the Kremlin's war on Ukraine and the subsequent seizure of its international assets. There are limited alternatives to China's currency for use as reserves because the financial instruments of nations that are friendly to Russia carry too many risks, the central bank wrote in its annual report released Friday. "The exchange rates of these currencies are highly volatile, the markets have low liquidity, and in a number of such countries there are restrictions on the movement of capital, which is an obstacle to their use," the report said. "These factors predetermine the key role of the Chinese yuan in the formation of reserve assets." China has played an increasingly important role in Russia's economy as President Vladimir Putin has sought to reorient trade toward Asia and away from Europe in the wake of sanctions over the war. Trade with Beijing has been a key factor in allowing Russia's economy to weather the sanctions, along with increased government spending. The central bank also said the role the Chinese yuan has played internationally and its liquidity have "significantly increased" in recent years. Last year, the yuan replaced the US dollar as the most traded currency in Russia. Before the invasion, the yuan's trading volume on the Russian market was negligible. As of March 22, Russia's international reserves stood at \$590.1 billion, having decreased by about \$40 billion over two years of the war, according to data from the central bank. That includes the \$300 billion of reserves blocked by Western countries, which the bank said it's working to protect since it retains ownership rights to the assets. In 2023, the value of Russia's reserves grew slightly, but "the main factor in this increase was the rise in the price of gold in US dollars," the report said. Since the beginning of the war, the central bank has not revealed the composition of international reserves, instead only reporting the shares of gold and foreign currency.

❖ Federal Reserve Chair Jerome Powell repeated that the US central bank isn't in any rush to cut interest rates as policymakers await more evidence that inflation is contained. "The fact that the US economy is growing at such a solid pace, the fact that the labor market is still very, very strong, gives us the chance to just be a little more confident about inflation coming down before we take the important step of cutting rates," Powell said Friday at an event at the San Francisco Fed. Fresh inflation data released earlier is "pretty much in line with our expectations," he said. But Powell reiterated it won't be appropriate to lower rates until officials are sure inflation is on track toward 2%, the rate they see as appropriate for a healthy economy. Federal Reserve Chair Jerome Powell repeated that the US central bank isn't in a hurry to cut interest rates. Investors are now betting the US central bank will make that first cut in June. The Fed's preferred gauge of underlying inflation cooled last month after an even larger increase than previously reported in January, government data released Friday showed. The core personal consumption expenditures price index — which excludes volatile food and energy costs — rose 0.3% in February after climbing 0.5% in the previous month; was marking its biggest back-to-back gain in a year. The measure is up 2.8% from a year earlier, still above the Fed's 2% target. "It's good to see something coming in in line with expectations," Powell said of the data, adding that the latest readings aren't as good as what policymakers saw last year. Powell said officials expect inflation to continue falling on a "sometimes bumpy path," echoing remarks he made following the Fed's last policy meeting earlier this month. Fed officials held short-term interest rates at a more than two-decade high at that meeting, and a narrow majority penciled in three rate cuts for 2024. Powell has said it would likely be appropriate for the Fed to ease policy "at some point this year." But he and other policymakers have made clear they're approaching the first cut with caution, given the underlying strength of the economy and recent signs of persistent price pressures. The Fed chief said Friday he doesn't see the possibility of a recession as elevated at this time. Still, he reiterated that an unexpected weakening in the labor market could warrant a policy response from Fed officials.

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 rose to a record as the second quarter kicked off, extending a rally that's been driven by the Federal Reserve moving closer to rate cuts and deepening geopolitical tensions.

Key Market Levels for the Day

Time	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	June	2230	2245	2270	2285	2310	2340
Silver – COMEX	May	24.70	24.90	25.20	25.35	25.60	25.85
Gold – MCX	June	67500	67700	68000	68400	68700	69000
Silver – MCX	May	74250	74800	75300	76000	76500	77200

Nirmal Bang Securities - Daily Currency Market Update

Dollar Index

LTP/Close	Change	% Change
104.49	0.20	0.19

Bond Yield

10 YR Bonds	LTP	Change
United States	4.2003	0.0100
Europe	2.2970	0.0060
Japan	0.7270	-0.0140
India	7.0560	-0.0140

Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.0141	0.0289
South Korea Won	1347.35	-2.5500
Russia Rubble	92.4615	0.1242
Chinese Yuan	7.2224	0.0007
Vietnam Dong	24791	0
Mexican Peso	16.5586	0.0824

NSE Currency Market Watch

Currency	LTP	Change
NDF	83.41	-0.08
USDINR	83.44	0.035
JPYINR	55.445	-0.1025
GBPINR	105.33	-0.0425
EURINR	90.1625	-0.255
USDJPY	150.7	0.84
GBPUSD	1.2616	-0.0019
EURUSD	1.0803	-0.004

Market Summary and News

❖ The dollar rose with share prices on Thursday after data showed a resilient US economy and easing inflation expectations. The euro settled near a five-week low as traders weigh odds that the European Central Bank will reduce its policy rate ahead of the Federal Reserve. The Bloomberg Dollar Spot Index rose as much as 0.3% to the strongest level since Feb. 16, before trimming gains. The Swiss franc led G-10 gainers, while Sweden's krona lagged in sporadic quarter-end flows. The yield on 10-year US Treasuries steadied around 4.19%, while the two-year yield edges up. US GDP for Q4 was revised up to 3.4%, and core PCE was lowered to 2%. Weekly jobless claims were below estimates and pending home sales rose in February. US consumer sentiment jumped, supported by strong stock-market gains and expectations that inflation will continue to ease; one-year inflation expectations unexpectedly fell to 2.9%. WTI oil rose 2.2% to ~\$83/bbl. Fed Chair Powell speaks at a moderated discussion Friday. EUR/USD fell as much as 0.5% to 1.0775, lowest since Feb. 20, before settling down 0.4%. Corporate buying helped slow drop, a Europe-based trader said, while leveraged bids are seen at 1.0750-60 and near 1.0700. Risk reversals shift in favor of puts with over EUR1b of three-month 1.05 strikes traded, DTCC data shows; one-year bearish skew is widest in five weeks. ECB Governing Council member Fabio Panetta said the growth in consumer prices is easing quickly and the time to lower interest rates is approaching. EUR/SEK up for a seventh day, rising 0.6% to 11.5551 four-month high, amid momentum buying after Riksbank decision; EUR/CHF slid 0.6%, most this year, amid position-squaring and month-end USD/CHF sales. USD/JPY rises 0.1% to 151.40; Japanese Prime Minister Fumio Kishida, speaking to reporters, said officials will take appropriate actions on excessive FX moves. The yen outperforms G-10 peers on the week's latest round of verbal intervention by Japanese officials, weighing on bias for fresh bearish exposure. Overnight volatility is a modest 7.2% ahead of Japanese data and holidays Friday; one-week 10-delta butterflies trade at 164 basis points, highest since early November. GBP/USD is little changed at 1.2654 after falling 0.4% to 1.2586, near its 200-DMA; BOE's Jonathan Haskel said interest-rate cuts should be "a long way off". USD/CAD slips 0.3% to 1.3525, lowest since March 22, after Canadian Jan. GDP beat estimates and as gold and WTI oil rise. AUD/USD down 0.2% at 0.6522 amid macro sales as offshore yuan weakened. NZD/USD settles after hitting 0.5957, its lowest level since Nov. 17.

❖ Emerging-market currencies fell for a second day on Thursday, weighed down by Brazil's real and Mexico's peso amid thin trading ahead of the Easter holiday in the Americas and the end of the quarter. The currency index closed at the lowest level since Feb. 15 as the greenback gained. Markets in Colombia, Chile, Argentina and Peru were closed for local holidays; Mexico local trading also off. The Brazilian real weakened past the 5-per-dollar mark, a key level it's been hovering around, in part as uncertainty over President Luiz Inacio Lula da Silva's interventionist policies climbs. "Brazil has recently become more challenging given Lula's shift in tone," said Jefferies' Brad Bechtel. Meantime, the Mexican peso is coming off a nine-year high; currency was the biggest gainer for the quarter among 23 peers tracked by Bloomberg. Panama bonds sank, leading losses in the developing world, after Fitch Ratings cut the country's sovereign debt to junk citing fiscal and governance challenges. The MSCI gauge for developing-market stocks posted its second straight quarterly gain, while the currency counterpart is poised to end the quarter down 1%.

❖ The yen held near a 34-year low, defying comments from Japanese government officials that once more threatened a possible market intervention. Other Group-of-10 currencies traded in tight ranges with many major markets including Australia, Hong Kong and Singapore shut to observe the Good Friday holiday. The yen traded steady even after Masato Kanda, Japan's top currency official, said recent yen weakness was out of line with current economic fundamentals. Finance Minister Shunichi Suzuki also reiterated that the government was watching FX moves with high sense of urgency. USD/JPY held at 151.41. It touched 151.97 this week, the highest since 1990. Market focus is now on the release of key US consumer price data due later Friday as traders wait for fresh hints on the Federal Reserve's policy outlook. "The mere threat of intervention is unlikely to provide any sustained support to the yen," Wells Fargo strategists, including Michael Schumacher, wrote in a note. "US and broader global growth ex-China remains resilient, inflation is proving stubborn, and the BOJ's 'first in nearly two decades' rate hike has come and gone." AUD/USD declined 0.1% to 0.6507; NZD/USD fell 0.1% to 0.5969. EUR/USD slipped 0.1% to 1.0777; GBP/USD was steady at 1.2619. There was no cash trading of Treasuries globally on Friday.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	83.0525	83.1575	83.2655	83.3875	83.4650	83.6175

Nirmal Bang Securities - Bullion Technical Market Update

Gold Market Update



Market View	
Open	67188
High	67859
Low	67010
Close	67701
Value Change	757
% Change	1.13
Spread Near-Next	191
Volume (Lots)	9423
Open Interest	23487
Change in OI (%)	9.99%

Gold - Outlook for the Day

BUY GOLD JUNE (MCX) AT 68000 SL 67700 TARGET 68400/68700

Silver Market Update



Market View	
Open	74779
High	75296
Low	74357
Close	75048
Value Change	386
% Change	0.52
Spread Near-Next	1468
Volume (Lots)	16292
Open Interest	22574
Change in OI (%)	-0.70%

Silver - Outlook for the Day

BUY SILVER MAY (MCX) AT 75200 SL 74500 TARGET 76000/76500

Nirmal Bang Securities - Currency Technical Market Update

USDINR Market Update



Market View	
Open	83.38
High	83.53
Low	83.35
Close	83.405
Value Change	0.0425
% Change	0.051
Spread Near-Next	-0.1722
Volume (Lots)	2707406
Open Interest	4057581
Change in OI (%)	1.88%

USDINR - Outlook for the Day

The USDINR future witnessed a flat opening at 83.38, which was followed by a session where price shows profit taking from higher level with candle closures near days low. A long doji candle formed by the USDINR price where price closed above short-term moving average. On the daily chart, the MACD showed a positive crossover below the zero-line, while the momentum indicator, RSI trailing between 58-64 levels showed positive indication. We are anticipating that the price of USDINR futures will fluctuate today between 83.27 and 83.45.

Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR April	83.1225	83.2275	83.3275	83.4975	83.5925	83.6975

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