



# India Bullion and Jewellers Association Ltd.

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### Daily Bullion Physical Market Report

Date: 27<sup>th</sup> October 2021

#### Daily India Spot Market Rates

Description	Purity	AM	PM
Gold	999	48346	48171
Gold	995	48152	47978
Gold	916	44285	44125
Gold	750	36260	36128
Gold	585	28282	28180
Silver	999	65793	65453

\* Rates are exclusive of GST as of 26<sup>th</sup> October 2021  
Gold in Rs/10 Gm & Silver in Rs/Kg

#### COMEX Futures Watch

Description	Contract	Close	Change	% Chg
Gold(\$/oz)	Dec	1793.40	-13.40	-0.74
Silver(\$/oz)	Dec	24.09	-0.50	-2.05

#### ETF Holdings as on Previous Close

ETF	In Tons	Net Change
SPDR Gold	979.81	1.74
iShares Silver	16,936.67	0.00

#### Weekly CFTC Positions

	Long	Short	Net
Gold	1,36,452	67,171	69,281
Silver	50,092	30,484	19,608

#### MCX Indices

Index	Close	Net Change	% Change
MCX iCOMDEX Bullion	1451.21	-153.79	-1.06%

#### Macro-Economic Indicators

Time	Country	Event	Forecast	Previous	Impact
27 <sup>th</sup> October 06:00PM	United States	Core Durable Goods Orders m/m	0.4%	0.3%	Medium
27 <sup>th</sup> October 06:00PM	United States	Durable Goods Orders m/m	-1.1%	1.8%	Medium
27 <sup>th</sup> October 06:00PM	United States	Goods Trade Balance	-88.2B	-87.6B	Low

#### Gold and Silver 999 Watch

Date	Gold*	Silver*
26 <sup>th</sup> October 2021	48171	65453
25 <sup>th</sup> October 2021	48142	65653
22 <sup>nd</sup> October 2021	47805	65294
21 <sup>st</sup> October 2021	47496	65000

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

#### Bullion Futures DGCX

Description	Contract	LTP
Gold (\$/oz)	26th November 2021	1795.9
Gold Quanto	25th November 2021	47833
Silver (\$/oz)	26th November 2021	24.23

#### Gold and Silver Fix

Description	LTP
Gold London AM Fix(\$/oz)	1801.90
Gold London PM Fix(\$/oz)	1785.55
Silver London Fix(\$/oz)	24.32

#### Gold Ratio

Gold Silver Ratio	74.45
Gold Crude Ratio	21.19



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### Nirmal Bang Securities - Daily Bullion News and Summary

- Gold snapped a five-day streak of gains as positive earnings reports from U.S. and European companies bolstered broader market optimism, reducing the appeal of haven metals. U.S. companies including United Parcel Service Inc. and General Electric Co. gained after strong earnings results on Tuesday, helping give an early lift to the Standard & Poor's 500 index. A strong stock market is usually inversely correlated with the price of precious metals, which investors turn to for safe havens when the market is down. Bullion recovered this month to trade above \$1,800 an ounce amid the debate over rising price pressures and how the world's central banks are dealing with inflation while preparing to dial back on stimulus measures. The European Central Bank will probably start laying the foundations at this week's meeting for the big decisions to be made in December on asset purchases. Officials on the policy-setting Federal Open Market Committee are expected to announce at their Nov. 2-3 meeting that they will begin winding down the bond-buying program put in place last year in the early days of the pandemic. Meanwhile, progress on President Joe Biden's economic agenda also boosted sentiment. Democrats stepped closer to an agreement as Senator Joe Manchin, who has been pushing to shrink the size of a sweeping social-spending package, said a deal on the outlines of the plan is within reach this week.
- Exchange-traded funds cut 115,971 troy ounces of gold from their holdings in the last trading session, bringing this year's net sales to 8.9 million ounces, according to data compiled by Bloomberg. The sales were equivalent to \$209.6 million at yesterday's spot price. Total gold held by ETFs fell 8.3 percent this year to 98.2 million ounces, the lowest level since May 13, 2020. State Street's SPDR Gold Shares, the biggest precious-metals ETF, maintained its holdings in the last session. The fund's total of 31.4 million ounces has a market value of \$56.8 billion. ETFs added 879,070 troy ounces of silver to their holdings in the last trading session, bringing this year's net purchases to 16.9 million ounces.
- U.S. Treasury Secretary Janet Yellen defended Federal Reserve Chair Jerome Powell's record on regulating the financial system amid attacks by progressives seeking to deny him a second term – even though in the past she's expressed some misgivings about rule-making under his watch. While declining to say how she's advised President Joe Biden on his decision over whether to reappoint Powell, Yellen told CNN's "State of the Union" that financial rules had "markedly strengthened" under Powell's term, as they did during her time at the Fed and under her predecessor, Ben Bernanke. As the pandemic added stress to the financial markets, "the core of our financial system did very well because of the improvements in capital liquidity, risk management, stress testing," Yellen said. "And those improvements have stayed in place during the Powell regime." Senator Elizabeth Warren of Massachusetts last month accused Powell of adding to financial risk by weakening regulation, calling him a "dangerous man" and saying she opposes him getting a second term at the Fed. Progressive trade groups have also raised concerns that Powell would block more stringent banking rules if Biden reappoints him when his current term ends in February. Before taking the job as Treasury Secretary, Yellen presented a more nuanced view of Powell's record as a regulator than she did on Sunday.
- Senate Banking Committee Chair Sherrod Brown said he expects President Joe Biden will release a combination of nominations to the board of the Federal Reserve at the time he unveils his decision on the central bank chair. "I think the president -- I don't speak for him of course - but is probably waiting, and going to put a whole slate forward" of up to four Fed board picks, Brown, an Ohio Democrat, said in an interview Tuesday on Bloomberg Television's "Balance of Power With David Westin." He said he has talked with the president about the matter, though couldn't predict what Biden will do. Brown declined to specify whether he wants Fed Chair Jerome Powell nominated for a second term, saying it's Biden's decision to make. "When the president looks for making up to four nominations -- maybe including Powell, maybe not -- there will be a much greater emphasis on workers," Brown predicted. "President Biden, and I talked to him just the other day, understands you want to put workers at the centre of our economic policy. And that includes making the Fed look like America but think like America too." He reiterated that he thought Powell has done a "reasonably good job" on monetary policy but has "fallen short" on regulating Wall Street and on climate change.
- Fundamental Outlook:** Gold and silver prices are trading slightly lower today on international bourses. We expect precious metals prices on Indian bourses to trade range-bound to slightly lower for the day. We recommend selling on rise in intra-day trading session, as robust U.S. earnings bolstered sentiment across markets, with investors awaiting the European Central Bank gathering Thursday for signals as to how officials will address lingering inflationary pressures.

#### Key Market Levels for the Day

	Month	S3	S2	S1	R1	R2	R3
Gold – COMEX	December	1740	1755	1775	1810	1825	1840
Silver – COMEX	December	23.50	23.72	23.90	24.25	24.45	24.70
Gold – MCX	December	47250	47500	47700	48000	48280	48500
Silver - MCX	December	63400	64000	64600	65200	65800	66500



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### Nirmal Bang Securities - Daily Currency Market Update

#### Dollar index

LTP/Close	Change	% Change
93.95	0.14	0.14

#### Bond Yield

10 YR Bonds	LTP	Change
United States	1.6079	-0.0228
Europe	-0.1190	-0.0030
Japan	0.1080	0.0020
India	6.3630	0.0130

#### Emerging Market Currency

Currency	LTP	Change
Brazil Real	5.5661	0.0101
South Korea Won	1167.4	-1.0000
Russia Ruble	69.5545	-0.2005
Chinese Yuan	6.3833	-0.0025
Vietnam Dong	22757	2
Mexican Peso	20.2139	0.0421

#### NSE Currency Market Watch

Currency	LTP	Change
NDF	75.25	0.04
USDINR	74.965	-0.13
JPYINR	65.7675	-0.2825
GBPINR	103.605	0.23
EURINR	87.155	-0.1625
USDJPY	113.98	0.33
GBPUSD	1.3819	0.0058
EURUSD	1.1626	0

#### Market Summary and News

- Indian rupee snaps two days of losses on hopes of inflows ahead of initial share sales by companies and as stocks gains. Sovereign bonds ended lower amid absence of any announcement of buying support by the central bank. USD/INR down 0.2% to 74.9588; rose as much as 0.1% earlier. 10-year bond yields rose 1bp to 6.36%; 5-year yield up 1bp to 5.74%. Strong Asian currencies, yuan appreciation, DXY trading in a narrow range are all supporting the rupee, says Kunal Sodhani, assistant vice president at Shinhan Bank India. Anticipation of strong foreign inflows into the Nykaa IPO have been started to be discounted in the price action. USD/INR has strong technical support at 74.60, while 75.25 will act as a resistance. RBI drains 2t rupees via 7-day reverse repo auction Tuesday; cutoff rate is 3.99%. States sell 205b rupees of bonds versus 206.25b rupees plan: RBI statement.
- The Philippine peso declined while the Taiwan dollar advanced even as most other emerging Asian currencies traded in tight ranges. A gauge of regional equities rose, while bonds were mixed. "EM currencies are under pressure as global central banks are expected to be hawkish," says Hironori Sannami, FX and rates dealer at Mizuho Bank, referring to upcoming policy reviews by the U.S. Fed, ECB, Bank of England, and the RBA in the next two weeks. The Covid-19 situation in China is also weighing on regional currencies. High performing tech stocks in Taiwan and South Korea are boosting the Taiwan dollar. The Taiwan dollar outperformed peers, climbing to a three-week high, as foreign funds bought equities. Chinese Vice Premier Liu He and U.S. Treasury Secretary Janet Yellen had a "pragmatic, candid and constructive" conversation in which they exchanged views on the macroeconomic situation and cooperation, China's commerce ministry said. The two sides agreed that it's very important for China and the U.S. to strengthen communication and coordination of macroeconomic policies, as the world's economic recovery is at a critical moment, according to a Chinese statement after the phone call. Baht drops as Thailand detected its first local case of a delta plus sublineage less than a week before a planned nationwide reopening for vaccinated international visitors. China's overnight borrowing costs declined as the central bank continued to add cash to a banking system strained by tax payments, local-government debt issuance and fading monetary easing hopes.
- The Turkish lira rallied after President Recep Tayyip Erdogan pulled back on Monday from his threat to expel 10 Western ambassadors, bolstering the MSCI EM currency index despite declines in the South African rand, Brazilian real and Peruvian sol. Turkey's currency rallied the most in more than four months, advancing 0.6%. The 14-day RSI on dollar-lira signals that the currency pair may have gone too far, too fast. Erdogan's move deescalates a diplomatic row that had pushed the Turkish currency to a record low of 9.85 per dollar on Monday. The South African rand was the day's worst performer as the nation's government delayed Finance Minister Enoch Godongwana's maiden budget for a second time. The Brazilian real dropped after a Monday rally, shrugging off faster-than-expected inflation in early October that has added pressure for a dramatic rate increase at Wednesday's central bank policy decision. Russia's ruble strengthened 0.2% as oil prices remain elevated. Saudi Aramco said oil-output capacity across the world is dropping quickly and companies need to invest more in production. Taiwan's dollar, South Korea's won and China's yuan were firmer following talks between U.S. and Chinese officials on the economy and cooperation.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR Spot	74.4000	74.5500	74.7000	75.1000	75.2800	75.5000





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### Nirmal Bang Securities - Bullion Technical Market Update

#### Gold Market Update



#### Market View

Open	48147
High	48280
Low	47584
Close	47813
Value Change	-387
% Change	-0.8
Spread Near-Next	104
Volume (Lots)	9004
Open Interest	10627
Change in OI (%)	-6.63%

#### Gold - Outlook for the Day

Gold prices trading resistive around 1810-20 so try to sell around 1810-20 for the target of 1780-70. yesterday's continuous selling pressure hitting the yellow metal down from the top of \$1810. So we are recommending to go short on higher levels for a target of 1780-70.

**SELL GOLD DEC (MCX) AT 48000 SL 48300 TARGET 47650/47500**

#### Silver Market Update



#### Market View

Open	66235
High	66235
Low	64612
Close	64989
Value Change	-1150
% Change	-1.74
Spread Near-Next	692
Volume (Lots)	15440
Open Interest	10377
Change in OI (%)	6.55%

#### Silver - Outlook for the Day

Silver prices witnessed some profit taking after a sharp rally of more than 10% and likely to trade supportive around 23.70-60. we are recommending to buy white metal for the target of 24.10 and 24.25.

**SELL SILVER DEC (MCX) AT 65500 SL 66200 TARGET 64700/64300**



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### Nirmal Bang Securities - Currency Technical Market Update

#### USDINR Market Update



#### Market View

Open	75.08
High	75.1825
Low	74.92
Close	74.965
Value Change	-0.13
% Change	-0.17
Spread Near-Next	-0.8318
Volume	1858486
Open Interest	1073650
Change in OI (%)	-31.71%

#### USDINR - Outlook for the Day

USDINR Oct has witnessed a sharp fall after opening at higher levels and managed to close around 74.96. We believe that the prices are likely to trade range bound for the day, recommending to buy on dips around 74.80 for the target of 75.10/20.

#### Key Market Levels for the Day

	S3	S2	S1	R1	R2	R3
USDINR October	74.4000	74.5500	74.7000	75.0500	75.2400	75.3800



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