

# BULLION DAILY RESEARCH REPORT

05-Oct-2020

## Fundamental Triggers

- Macroeconomic factors are pushing investments in precious metals, while bonds have lost their appeal. The weak economy has pushed investments in silver and gold. Investors now believe that the central bank could be expanding the stimulus programme which could make their currency lose value.
- Gold should thrive next week, as investors await to see how severe is President Trump's coronavirus case, and if the Fed and ECB minutes to their policy meetings show they almost ready to ready increase their asset purchases.
- Retail investors are pouring money into ETFs to ride the rally. iShares Silver Trust (SLV) has been among the star ETFs which prices up well over 100 percent from the low seen in March.
- Major silver producing countries like Bolivia, Peru, Mexico had lockdowns in the country, disrupting supplies. With the risk associated with mining, work was disrupted and production activity thrown off gear in countries like Australia which did not have a national lockdown. Silver's annual production is now expected to fall for the year.

## Technical Triggers

- Gold is not able to sustain above Rs 50500 levels and has formed inverted Hammer formation of Daily charts which is the sign of reversal.
- Silver prices are taking support and resistance of Fibonacci Retracement Fan levels. Next support is Rs 58500 and resistance is Rs 62500

## Economic Data

Date	Time	Country	Importance	Data	Actual	Forecasted	Previous
05-Oct-2020	13:30	EUROPE		Markit Composite PMI (Sep)	--	50.1	50.1
	14:00	UK		Services PMI (Sep)	--	55.0	55.1
	15:30	EUROPE		Eurogroup Meetings	--	--	--
	19:15	US		Services PMI (Sep)	--	54.6	55.0
	19:30	US		ISM Non-Manufacturing PMI (Sep)	--	56.3	56.9

Chart of the Day: MCX Silver Daily Chart



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## Gold CFTC Managed Money Holdings

(No. of Contracts)	Open Interest	OI Weekly Change	OI Weekly % change
Long Positions	174,793	-3,826	-2.1%
Short Positions	45,840	-1,690	-3.6%
Net Positions	128,953	-2,136	-1.6%

## Silver CFTC Managed Money Holdings

(No. of Contracts)	Open Interest	OI Weekly Change	OI Weekly % change
Long Positions	59,582	-1,387	-2.3%
Short Positions	23,810	-1,576	-6.2%
Net Positions	35,772	189	0.5%

## ETF and Inventory Holdings

(In Tonnes)	Holdings	Inc/ Dec	% Chg
World Gold Total ETF	3451.174	2.984	0.09%
World Silver Total ETF	27096.488	26.932	0.10%
COMEX Gold Inventory	1146.439	1.998	0.17%
COMEX Silver Inventory	11.787	0.044	0.38%

## Ratio and Currency Movement

	Close	Chg	%Chg
Gold to Silver Ratio	79.840	0.670	0.85%
USDINR	73.146	-0.617	0.84%
Dollar Index	93.844	0.133	0.14%

## RSBL Spot Price @ 11 am

	Unit	Sell	High	Buy	Low
Gold 999 (Mum)	Rs/10 gm	50439	52054	50509	50184
Silver 999 (Mum)	Rs/ Kg	57885	58333	60385	56148
Gold 999 (Ahd)	Rs/10 gm	51948	53618	52028	51685
Silver 999 (Ahd)	Rs/ Kg	58223	58722	60223	56248

## Technical Summary

	Unit	Expiry	Futures Price Movement									Fibonacci Support and Resistance				
			Open	High	Low	Close	Net Chng	1D % Chng	Monthly % Chng	Yearly % Chng	Signal	Sup2	Sup1	Pivot	Res1	Res2
COMEX Gold	\$/oz	12/29/2020	1911.0	1923.6	1895.2	1907.6	-3.40	-0.5%	0.6%	23.0%	Neutral	1891.2	1898.0	1908.8	1919.6	1926.4
COMEX Silver	\$/oz	12/29/2020	23.90	24.36	23.58	24.03	0.13	-0.9%	2.3%	31.6%	Neutral	23.51	23.69	23.99	24.28	24.47
MCX Gold	Rs/10 gm	12/4/2020	50330	50645	50120	50570	240	0.5%	0.5%	27.6%	Neutral	50121	50244	50445	50646	50769
MCX Silver	Rs/ kg	12/4/2020	60001	61530	59620	61145	1144	2.0%	2.0%	24.6%	Neutral	59585	60035	60765	61495	61945

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