

BULLION DAILY RESEARCH REPORT

06-Oct-2020

Fundamental Triggers

- Gold may be well off its recent peak near \$2100 an ounce but global holdings in bullion-backed exchange-traded funds have never been bigger. The worldwide total expanded in August and September even as prices backtracked, and it hit a fresh record as of 3454 tonnes on Monday
- The sustained demand for the traditional haven suggests that some investors are taking the opportunity to build up positions, expecting the rally to be resumed amid low interest rates and geopolitical risks
- There may be continued demand for precious metals, even if gold or silver prices correct or trade sideways in coming weeks, as investors seek to diversify their portfolios. Risk factors include the U.S. election and the spread of Covid-19 in parts of Europe and North America. If the virus outbreak worsens, policymakers may be under even more pressure to deliver more stimulus.
- In places like India and China, however, demand for gold has been relatively soft. Buyers in the two biggest consumer markets have either been selling their holdings or borrowing against them.

Technical Triggers

- Gold has closed above Rs 50500 levels and trying to give a breakout above the symmetrical triangle. If prices give a positive closing today, there could be a start of another rally.
- Silver prices are taking support and resistance of Fibonacci Retracement Fan levels. Next support is Rs 58500 and resistance is Rs 62500

Chart of the Day: MCX Gold Daily Chart



Economic Data

Date	Time	Country	Importance	Data	Actual	Forecasted	Previous
06-Oct-2020	4:05	EUR	***	ECB President Lagarde Speaks	--	--	--
	18:00	USD	**	Trade Balance (Aug)	--	-66.10B	-63.60B
	18:30	EUR	***	ECB President Lagarde Speaks	--	--	--
	20:10	USD	***	Fed Chair Powell Speaks	--	--	--

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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	3454.103	2.928	0.09%
World Silver Total ETF	27494.713	398.225	1.47%
COMEX Gold Inventory	1148.683	2.244	0.20%
COMEX Silver Inventory	11.820	0.033	0.28%

Ratio and Currency Movement

	Close	Chg	%Chg
Gold to Silver Ratio	78.630	-1.210	-1.52%
USDINR	73.218	-0.070	0.10%
Dollar Index	93.391	-0.122	-0.13%

RSBL Spot Price @ 11 am

	Unit	Sell	High	Buy	Low
Gold 999 (Mum)	Rs/10 gm	50730	52054	50800	50140
Silver 999 (Mum)	Rs/ Kg	58400	58865	60900	56148
Gold 999 (Ahd)	Rs/10 gm	52245	53618	52325	51638
Silver 999 (Ahd)	Rs/ Kg	58720	59165	60720	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	1910.9	1924.9	1891.2	1920.1	9.20	-0.2%	1.1%	23.5%	Neutral	1891.2	1899.2	1912.1	1924.9	1932.9
COMEX Silver	\$/oz	12/29/2020	24.08	24.68	23.81	24.56	0.48	-0.5%	4.0%	33.8%	Neutral	23.81	24.01	24.35	24.68	24.88
MCX Gold	Rs/10 gm	12/4/2020	50230	50719	50030	50626	396	-0.2%	0.4%	27.5%	Neutral	50033	50195	50458	50722	50884
MCX Silver	Rs/ kg	12/4/2020	60737	62365	60259	61941	1204	-0.2%	3.2%	25.9%	Neutral	60220	60717	61522	62326	62823

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