

SPECIAL MONTHLY REPORT ON

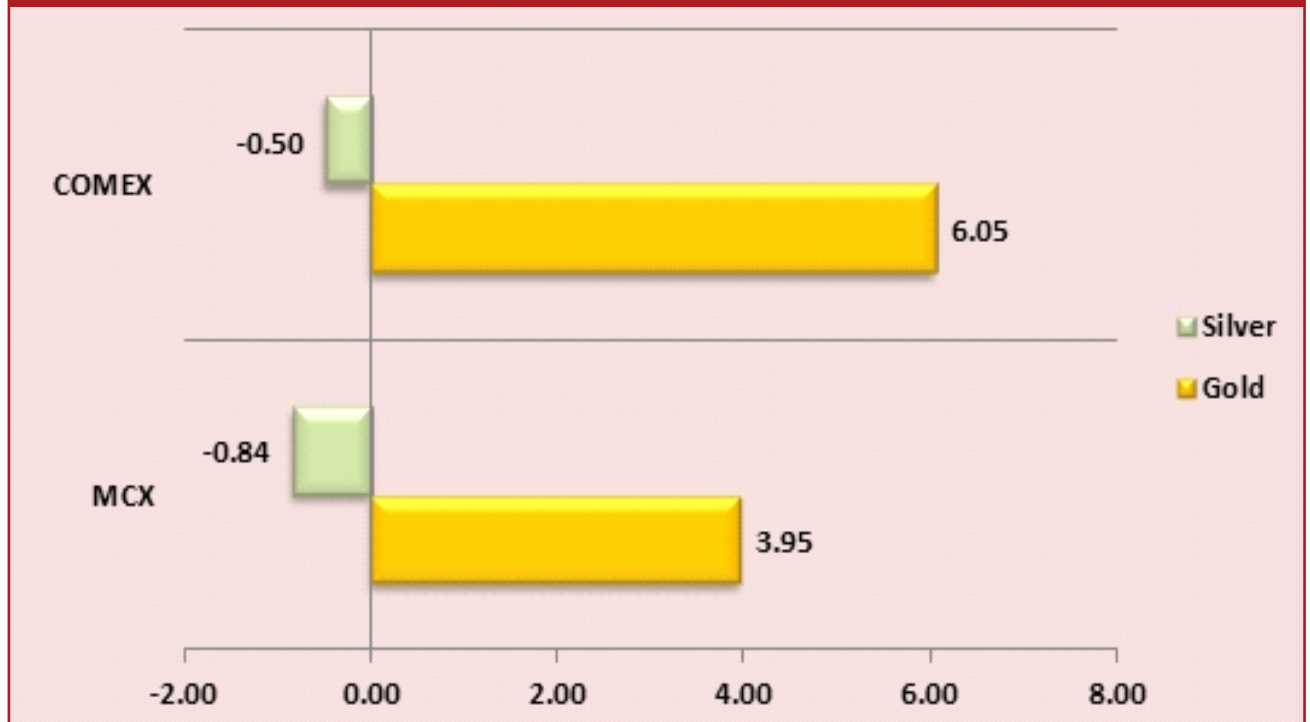
BULLIONS

FEBRUARY 2023



Moneywise. Be wise.

BULLIONS PERFORMANCE (January 2023) (% change)



Source: Reuters & SMC Research

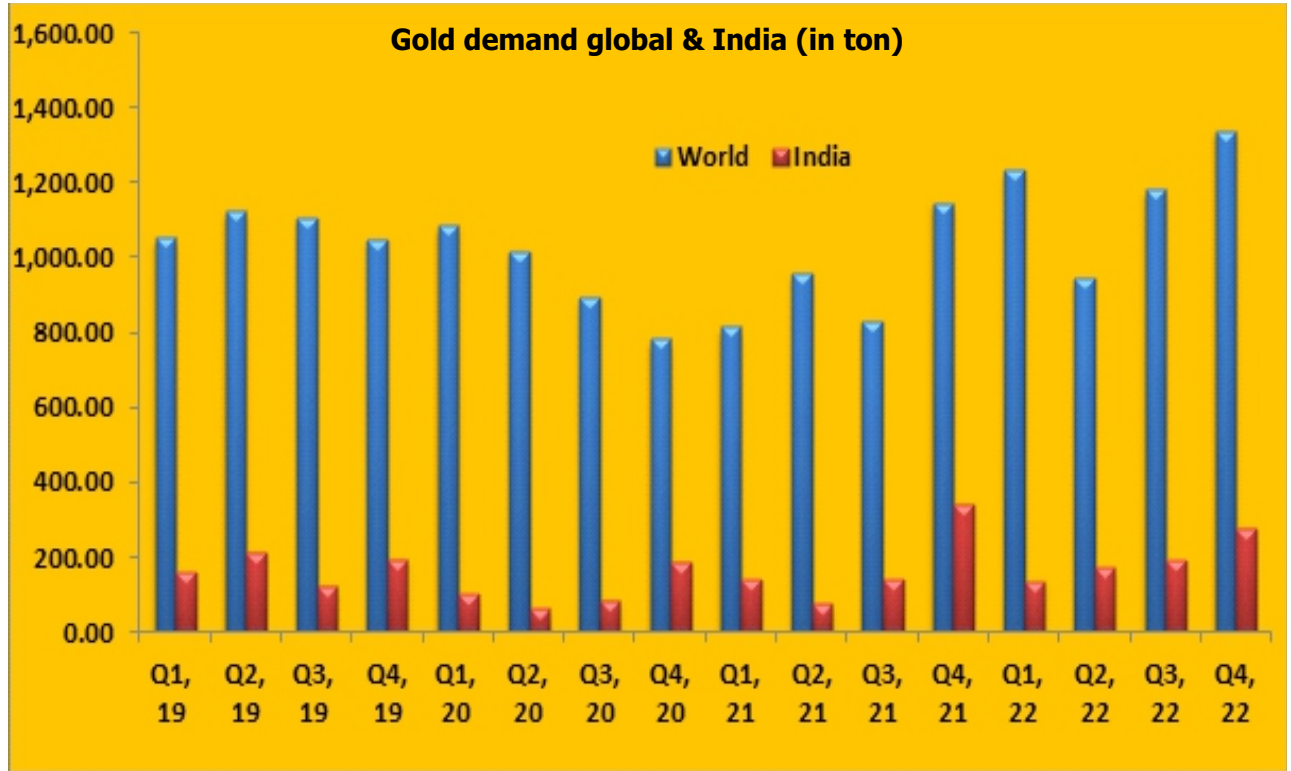
Gold prices registered its third straight monthly gain, helped by an overall weaker dollar and expectations around slower rate hikes from the U.S. Federal Reserve. The dollar posted its fourth consecutive monthly loss, making bullion more attractive for holders of other currencies. In Comex gold climbed 6% & in MCX closed almost 4% higher. Active gold buying by global central bank in last quarter of year 2022 also supported the prices in last three months. Gold has climbed more than \$320 since the lower of \$1615.10 per-ounce level in November 2022, as the Fed embarked on a slower rate hike path while the dollar also fell as a preferred refuge. Silver started the year in red territory with marginal loss.

Outlook

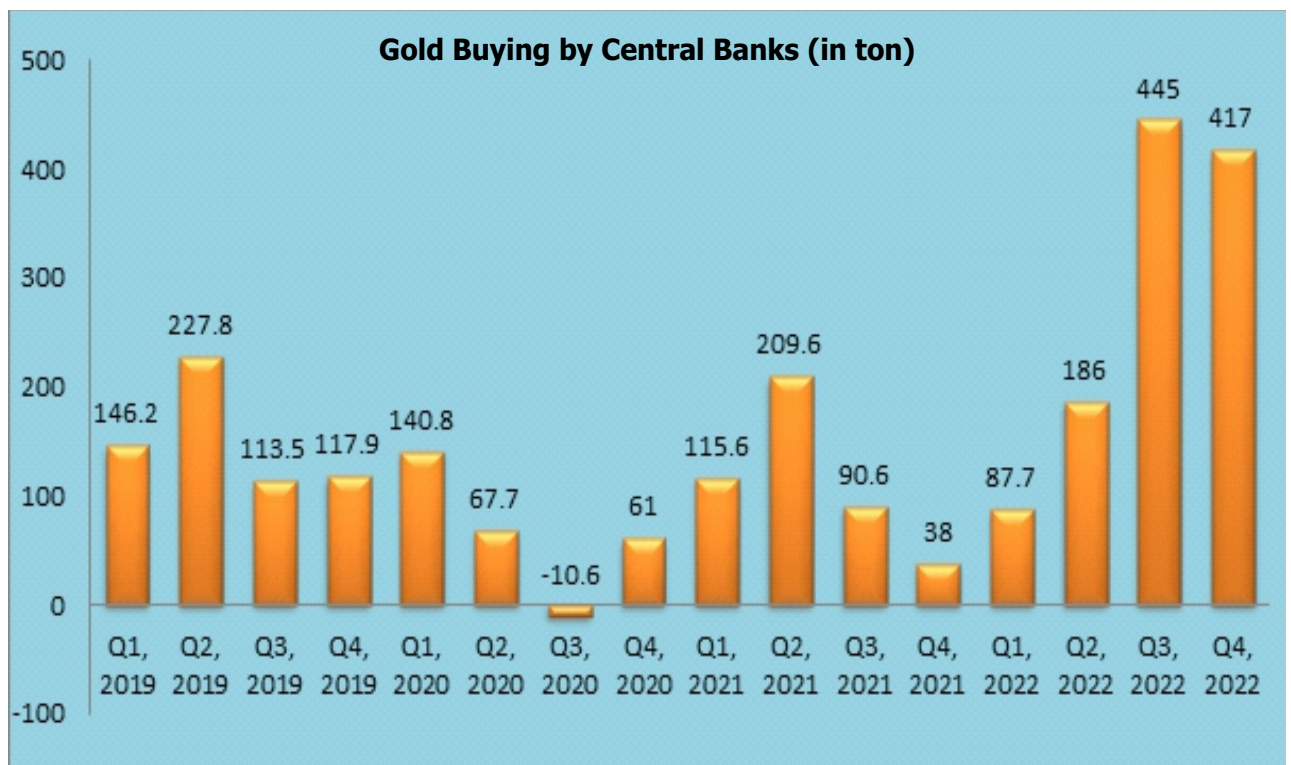
- Looking ahead in February, gold & silver prices will continue to trade with high volatility as Federal Reserve raised interest rates by an expected 25 basis points and Chair Jerome Powell's comments were read as dovish by the market, however, Powell warned of further monetary policy tightening while noting the progress on disinflation, which he said was in its early stages.
- If there are more signs of a slowdown in the U.S. economy and the Fed continues to lower rates, then investor demand for gold & silver will rise.
- U.S. employment growth accelerated sharply in January, with 517,000 positions added, almost double the gain in December. The unemployment rate hit more than a 53-1/2-year low of 3.4%, pointing to a persistently tight labour market.
- As long as employment and other data in the U.S. continue to be firm, the Federal Reserve might keep hiking interest rates.
- Gold demand soared to an 11-year high in 2022 on the back of "colossal central bank purchases, aided by vigorous retail investor buying," according to the World Gold Council. The central bank purchases took total gold global gold demand last year to 4,741 tonnes, up 18% from 2021.
- Central banks added a whopping 1,136 tonnes of gold worth some \$70 billion to their stockpiles in 2022, by far

the most of any year since 1967.

- India raised total taxes on silver imports 15% and on silver dore to 14.35%, the government said in its budget 2023-24, in an effort to align the duty structure of the metal with gold.



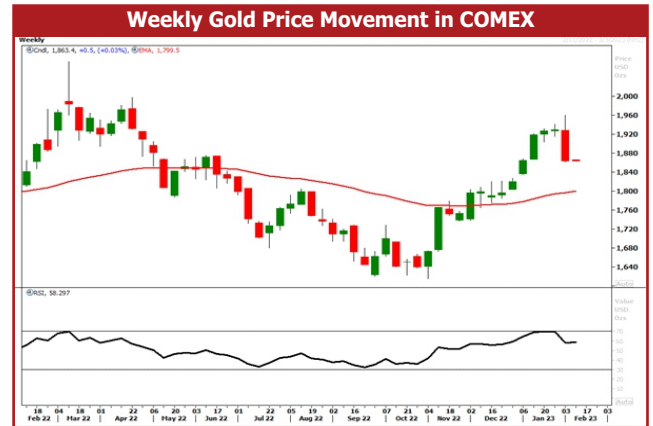
Source: WGC



Source: WGC



Source: Reuters



Source: Reuters



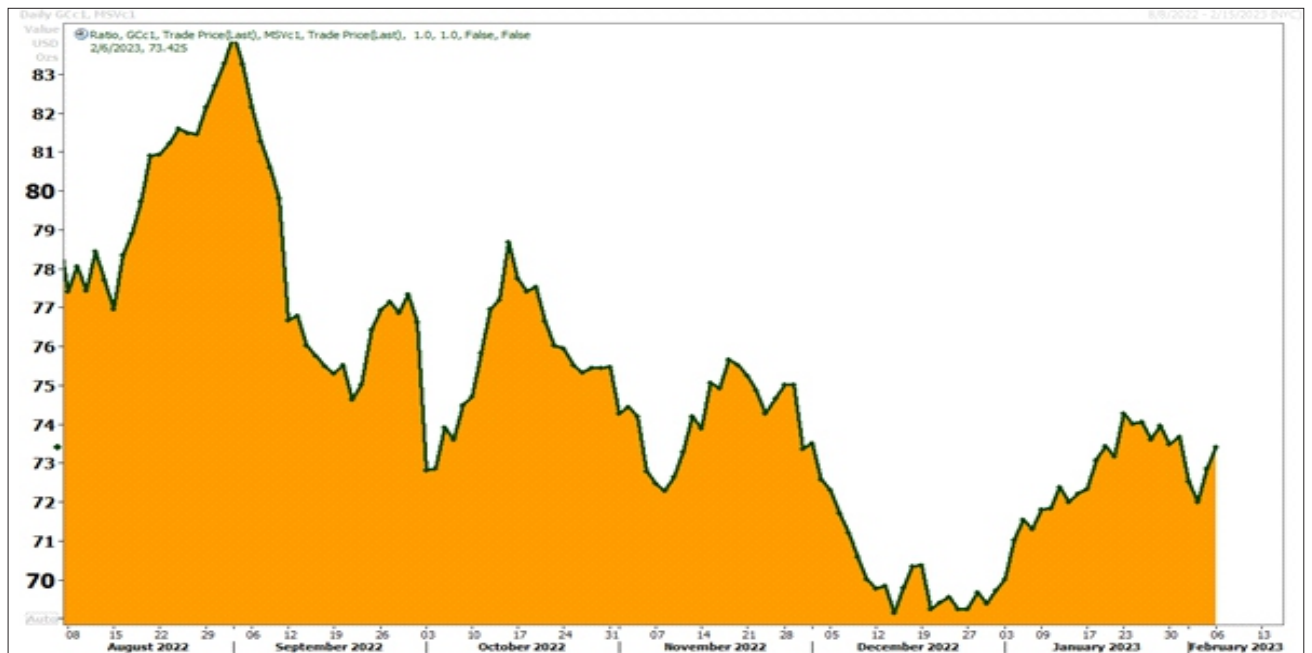
Source: Reuters



Source: Reuters

In February, Gold may trade in range of 55400-58800 and Silver may also witness huge volatility and trade in the range of 64000-72500 levels. On COMEX, gold may trade in range of \$1825-\$1920 and Silver may trade in range of \$20.80-\$24.60.

Gold-Silver ratio on COMEX



Source: Reuters

Analysis: In Jan, gold-silver ratio moves in the tight range of 70-75 due to sharp movement in gold and silver price. Now the ratio may move in the range of 70-77 in February.

SPDR Gold trust holding



Source: goldprice.org

Analysis: SPDR gold share prices are climbing since November 2022 and may trade in the range of 165-180 in near term.

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