



Monday, October 20, 2025

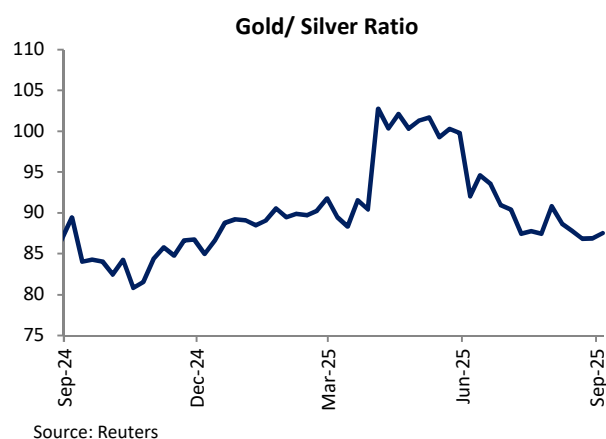
Overview

Gold and silver continued their strong rally through most of last week, setting new all-time highs before witnessing a sharp pullback on the final trading day. Gold climbed close to the \$4,400 level, posting a remarkable gain of over 60% YTD, fueled by safe-haven demand amid renewed U.S.-China trade tensions, escalating geopolitical risks, and expectations of further interest rate cuts by the U.S. Federal Reserve. Silver, meanwhile, surged past \$52 on COMEX — a new lifetime high — driven by acute global supply shortages, backwardation in the futures market, and tightness in physical delivery, all of which pointed to overwhelming demand relative to available supply.

U.S.-China trade conflict remained a major driver of market sentiment. President Trump announced sweeping 100% tariffs on Chinese exports and imposed fresh export controls on critical U.S. software. In response, China expanded its export restrictions on rare earth elements and related technologies. The standoff escalated with reciprocal port fees and threats from the U.S. to target China's purchases of Russian oil. These retaliatory measures injected fresh uncertainty into global markets and prompted strategic asset reallocation into bullion, with investors seeking refuge from rising trade, economic, and political instability. However, President Trump appeared to moderate his tone later, suggesting that proposed 100% tariffs on Chinese goods may not be sustainable. This apparent shift added to market confusion, leaving investors uncertain about the administration's next moves.

Exchange	Gold	COMEX	MCX
Contract	Spot	Sep	Sep
Open	4328	4355	131026
Close	4249	4190	127008
Change	-79	214	5644
% Change	5.76%	5.38%	4.65%
Pivot	4271	4243	128420
Resistance	4356	4305	130882
Support	4164	4129	124545

Silver- Weekly Market Data			
Exchange	Silver	COMEX	MCX
Open	54.14	53.22	168100
Close	51.85	49.86	156604
Change	-2.29	-3.35	10138
% Change	3.14%	6.23%	6.92%
Pivot	52.30	50.95	160240
Resistance	54.02	52.25	166779
Support	50.14	48.56	150064



Source: Reuters



On domestic front, India witnessed a shift in bullion purchasing trends during the Dhanteras festival. Record-high prices prompted many consumers to opt for coins and bars instead of jewellery, as an investment tool, than an occasion specific purchase. Meanwhile, India's gold reserves crossed the \$100 billion milestone for the first time, underscoring the growing strategic importance of the metal.

Despite the strong rally, both metals experienced profit booking towards the week's end. Silver, in particular, saw a sharp correction of over 5% in a single day as traders capitalized on the steep gains. While global supply remains tight and backwardation persists, domestic premiums and ETF inflows showed signs of easing, contributing to temporary price weakness on local exchanges.

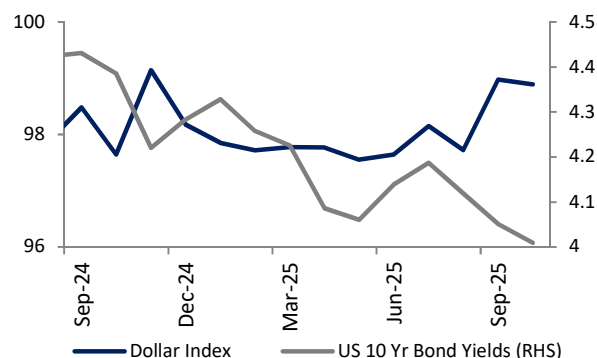
The ongoing U.S. government shutdown, now stretching into its third week, is also beginning to take a toll on the economy and markets. According to some estimates, shutdown is costing the U.S. economy ~ \$15 billion per week, as federal operations stall and key services remain suspended. Economic impact is now being felt through delayed government spending, reduced consumer confidence, and halted regulatory functions. Moreover, the prolonged deadlock has already led to the postponement of major economic data releases — including CPI, jobs numbers, and retail sales — further clouding market's ability to gauge overall health of economy. Lack of data also limits the Federal Reserve's policy visibility and keeps investors leaning toward safer assets like gold and silver.

Meanwhile, Middle East geopolitical situation continues to be a key source of market tension. Ceasefire discussions held over the weekend — involving several global leaders including President Trump — failed to yield concrete results. Instead, fresh attacks were reported across several fronts, notably in the Israel-Hamas conflict and the ongoing war in Ukraine. The stalled diplomatic efforts and resumption of conflicts have further weighed on hopes for short-term peace in the region, pushing ceasefire talks to the side-lines. President Trump in fact requested Ukraine leader to agree to Russian Presidents terms or the war could be on-going.

Outlook:

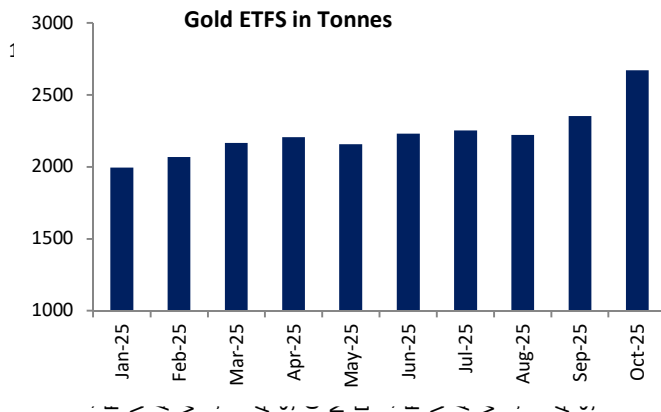
Looking ahead, focus this week will be on U.S. economic data and further guidance from Federal Reserve officials. However, ongoing government shutdown may delay key data releases, adding uncertainty to Fed's policy outlook. Governor Powell

Dollar Index and US 10Y Yield



Source: Reuters

Gold ETFs in Tonnes



Source: Reuters



recently emphasized that interest rate decisions will remain data-driven, noting challenges from a subdued labor market and persistent inflation. Despite gold and silver pulling back from recent highs, the core factors supporting the rally—trade tensions, geopolitical risks, economic uncertainty, and the extended U.S. shutdown—remain intact. Unless progress is made on ceasefire talks or the fiscal deadlock, safe-haven demand for bullion is expected to stay strong. This week, both Gold and Silver could trade in a broad range till market participants get some clarity on above mentioned factors.

Technical Levels:

Gold:

MCX Gold extended its strong upward momentum last week, gaining more than 5,000 rupees or approximately 4.65%. Prices had been steadily climbing within a well-defined ascending channel since late Sept., reflecting a robust bullish trend. However, a sharp correction on Friday erased some of the week's gains, pulling prices down from the recent high near ₹131,000. This pullback has brought gold prices closer to the mid-channel support zone. The immediate resistance is now placed at ₹129,000 (R1), followed by recent peak at ₹131,000 (R2), while support levels are seen at ₹126,000 (S1) and ₹124,000 (S2). Despite recent dip, the overall trend remains positive, although some consolidation or mild profit-booking may occur before gold resumes its next leg higher.



Silver:

MCX Silver extended its winning streak last week, gaining nearly 7,000 points overall. Prices were on track for a strong 21,000-point weekly advance, but a sharp sell-off on Friday erased almost 14,000 points from the day's high. Technically, silver had been moving within a well-defined ascending channel since early August, reflecting a steady uptrend. However, recent correction from the upper band near ₹1,63,000 has pushed prices back toward the mid-channel zone. The immediate resistance now lies at ₹1,57,000 (R1), followed by ₹1,63,000 (R2), while support levels are seen at ₹1,51,000 (S1) and ₹1,48,000 (S2). Despite the sharp pullback, the broader trend remains constructive, though some consolidation or mild profit-booking cannot be ruled out before the next leg of the up move.





Navneet Damani	Head Research- Currency and Commodities	navneet.damani@motilaloswal.com
Manav Modi	Analyst- Precious Metals	manav.modi@motilaloswal.com

For any details contact:

Commodities Advisory Desk - +91 22 3958 3600

commoditiesresearch@motilaloswal.com**Commodity Disclosure & Disclaimer:**

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412 and and BSE enlistment no. 5028. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products and is a member of Association of Portfolio Managers in India (APMI) for distribution of PMS products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

Terms & Conditions:

1. This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions.
2. This material is for the personal information of the authorized recipient and we are not soliciting any action based upon it.
3. This report is not to be construed as an offer to sell or solicitation of an offer to buy any commodity or commodity derivative to any person in any jurisdiction where such an offer or solicitation would be illegal.
4. It is for the general information of clients of MOFSL. It doesn't constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of individual clients.
5. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL.
6. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate.
7. All such information and opinions are subject to change without notice.
8. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.
9. We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable though its accuracy or completeness cannot be guaranteed.
10. Neither MOFSL, nor any person connected with it, accepts any liability arising from the use of this document.
11. The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the commodity referred to in this material may go up or down. Past performance is not a guide for future performance.
12. Certain transactions including those involving commodity derivatives involve substantial risk and are not suitable for all investors.
13. Reports based on technical analysis centers on studying charts of a commodity's price movement and trading volume as opposed to focusing on a commodity's fundamentals and as such may not match with a report on a commodity's fundamentals.
14. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject commodity for which Research Team have expressed their views.
15. MOFSL or its associates or Research Analyst or his relatives may have Open Position in subject commodity.
16. A graph of daily closing prices of commodities is available at <http://www.moneyline.co.in/>
17. Opinions expressed are our current opinions as of the date appearing on this material only. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice.
18. The commodities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.
19. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.



20. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the commodities mentioned in this document.
21. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein.
22. The commodities described herein may or may not be eligible for trade in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.
23. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors.
24. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may (a) from time to time, have long or short positions in, and buy or sell the commodities mentioned herein or (b) be engaged in any other transaction involving such commodities and earn brokerage or other compensation or act as a market maker in the commodity/ (ies) discussed herein or have other potential conflict of interest with respect to any recommendation and related information and opinions. However the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the commodities mentioned in the research report.
25. MOFSL and it's associates and Research Analyst have not received any compensation or other benefits in connection with the research report. Compensation of Research Analysts is not based on any brokerage transactions generated by broking activities under Motilal Oswal group.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI, enlistment as RA with Exchange and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com
Mr. Neeraj Agarwal	022 40548085	na@motilaloswal.com
Mr. Siddhartha Khemka	022 50362452	po.research@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412, BSE enlistment no. 5028 . AMFI: ARN : 146822. IRDA Corporate Agent – CA0579, APMI: APRN00233. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp grievances@motilaloswal.com.