



WEEKLY MCX NEWS LETTER

5th TO 9th JUNE 2017



**PREPARED BY-
Research Team**



BULLION

- **MCX GOLD:**

Gold trading range for this week is 28643-29137

Gold on MCX settled down -0.52% at 28943 pauses its run and slipped away trimming its recent gains as the dollar regained some ground ahead of a string of US data due later in the day and on Friday amid mounting hopes for a June rate hike by the Federal Reserve. Despite the recent run on resistance, day traders continue to buy on the dips.

This suggests gold is likely to find strong support between 28500 and 28600 range but with the significant volatility ahead of key data's from US. Market participants are cautious ahead of the FOMC meeting this month as positive payroll data from the United States could mean the Fed will raise rates as expected at its June 13-14 meeting. Traders believe there is an 87 percent chance of a rate rise. While Hedge funds are jumping back into gold.

Traders believe there is an 87 percent chance of a rate rise. While Hedge funds are jumping back into gold. Money managers boosted their long positions in US futures by the most in almost a decade in the week ended May 23, CFTC data show. Traders tracking Gold Silver ratio found yesterday, Gold's premium over silver rose in yesterday session to 73.24 but traders taken opportunity to sell gold silver ratio (shows trader are bullish on Silver as compare with Gold) which ends day at 72.69 in yesterday session

Now market participants were especially eyeing Friday's nonfarm payrolls report for further indications on the strength of the U.S. job market, which could give additional clues on whether or not the Federal Reserve will hike rates at its June policy meeting.

SELL GOLD AUG 2017 @ 28800 TGT 28630 /28500 .MCX

MCX SILVER:

Silver on MCX settled down -0.71% at 39813 experienced significant volatility in yesterday's session pressured by a rebound in the dollar, after a surge in number of private sector jobs the US economy created last month, set an upbeat tone ahead of Friday's closely watched monthly jobs report. Silver prices continued to trade above \$17 mark steadily near the highs of its range and though it did not follow the gold prices in moving higher, it continues to look strong and seems set to move higher on the first signs of any trouble for the dollar. While yesterday's data point shown the US employment report in May, the number of private workers in non-agricultural sector increased by 253,000 from the previous month, the market forecast 185,000 it exceeded the person.

SELL SILVER JUL 2017 @ 39950 SL 40200 TGT 39650-39400.MCX

ENERGY

MCX CRUDE OIL:

Crude oil on MCX settled up 1.02% at 3159 as prices rebounded as support seen after another drop in US crude stocks, which may signal that production cuts are affecting hefty global inventories. Yesterday US storage levels fell by nearly three times as much as expected in the week ended Friday, according to data released by the US EIA. Crude inventories shrank by 6.4mbls and gasoline by 2.9 million. OPEC and other producers, including Russia, have agreed to restrict output by 1.8mbpd to drain stockpiles that are close to record highs in many parts of the world. US production is closing in on levels from top producers Russia and Saudi Arabia. It hit 9.34mbpd last week, highest since August 2015. In Libya, output has recovered to 827,000 bpd after technical problems were resolved at the Sharara field.

SELL CRUDEOIL JUN 2017 @ 3130 SL 3185 TGT 3085-3040.MCX



BASE METALS

- **MCX METALS-**

Zinc on MCX settled down -1.46% at 165.15 as inflows of imported zinc added to supplies despite fewer shipments from zinc smelters. Many lead-zinc mines and smelters in Huayuan County, Hunan Province restarted production recently after environmental protection inspections. With approval by the Party Central Committee and the State Council, seven central environmental protection teams of the third round of environmental protection inspections in China entered Tianjin, Shanxi, Liaoning, Anhui, Fujian, Hunan and Guizhou during April 24-28, 2017. Spot trading in Shanghai market was slack due to month-end liquidity crunch and soft demand.

SELL ZINC JUN 2017 @ 160.50 SL 168.00 TGT 156-152.80.MCX

Copper trading range for the week is 360.65-370.80

Copper prices settled flat undermined by concerns over weakening demand and oversupply. BHP Billiton said it had lifted a declaration of force majeure at its Escondido copper mine in Chile. Chilean government data showed Tuesday the country's copper production slid 1.8% year-on-year in April due mainly to strike at the Escondido copper mine. Chilean copper output was 429,241 tonnes in April, compared to 436,902 tonnes in the same period of last year. Chilean President Michelle Bachelet said Thursday she had required mining organization which includes Codelco to mull over constructing a new copper smelter to increase value-added to copper exports. China's manufacturing sector contracted for the first time in nearly a year in May, survey data from IHS Market showed.

SELL COPPER JUN 2017 @ 360.00 SL 373.50 TGT 356.10-351.40 MCX.

GOLD



JUSTIFICATION:

TECHNICALLY MARKET IS GETTING SUPPORT AT 27996.00 AND BELOW SAME COULD SEE A TEST OF 28785 LEVEL, AND RESISTANCE IS NOW LIKELY TO BE SEEN AT 29140, A MOVE ABOVE COULD SEE PRICES TESTING 29113.

SILVER



JUSTIFICATION:

TECHNICALLY SILVER TAKE BRECKOUT OF FIBONACCI RETRACE MARKET IS GETTING SUPPORT AT 28864 AND BELOW SAME COULD SEE A TEST OF 28785 LEVEL, AND RESISTANCE IS NOW LIKELY TO BE SEEN AT 29028, A MOVE ABOVE COULD SEE PRICES TESTING 29113.

CRUDE Oil



JUSTIFICATION:

TECHNICALLY CRUDEOIL TAKE BRECKOUT OF TRIANGLE MARKET IS GETTING SUPPORT AT 3123 AND BELOW SAME COULD SEE A TEST OF 3088 LEVEL, AND RESISTANCE IS NOW LIKELY TO BE SEEN AT 3184, A MOVE ABOVE COULD SEE PRICES TESTING 3210..

COPPER



JUSTIFICATION:

TECHNICALLY COPPER TAKING BRECHOUT OF DOUBLE TOP AND GETTING SUPPORT AT 366.5 AND BELOW SAME COULD SEE A TEST OF 364.1 LEVELS, AND RESISTANCE IS NOW LIKELY TO BESEEN AT 370.6, A MOVE ABOVE COULD SEE PRICES TESTING 372.3.

PIVOT TABLE

SCRIPTS	R3	R2	R1	P. P	S1	S2	S3
GOLD	29192	29113	29028	28949	28864	28785	28700
SILVER	40873	40469	40141	39737	39409	39005	38677
CRUDEOIL	3245	3210	3184	3149	3123	3088	3062
COPPER	374.7	372.3	370.6	368.2	366.5	364.1	362.4
LEAD	138.7	137.9	136.7	135.9	134.7	133.9	132.7
ZINC	169.3	168.3	166.8	165.8	164.3	163.3	161.8
ALIMINUM	126.5	125.8	125.0	124.3	123.5	122.8	122.0
NICKEL	585.8	582.4	576.3	572.9	566.8	563.4	557.3
NATURAL GAS	209.0	205.6	199.9	196.5	190.8	187.4	181.7

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