

Anusandhaanam

An expedition into *futures* via research

Special yearly tabular report on selected commodities

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15 Commodities to watch out for in

2015

COMMODITY	KEY POINTS	TREND	STRATEGY
GOLD	<ul style="list-style-type: none"> ✓ Last year, we predicted a big fall in Gold till Rs.25000 when the yellow metal was trading around Rs.28400. Our predictions were bang on target as the primary bearish trend showed its true colors in second half of 2014. ✓ 2015 will prove to be the worst year for Gold in many years. The impulsive 5th wave is likely to break below temporary support of \$1130. A bearish pennant pattern on quarterly chart is also supporting the view. Fundamentally, any hike in interest rates in US will prove disastrous for gold. 	<p>Mid-term trend is UP</p> <p>Long term trend is DOWN</p>	<ul style="list-style-type: none"> ➤ Important support for International Gold is at \$1130 which if broken decisively will again bring in a 'free fall'. The primary trend is bearish and the focus from here must be to go short below \$1130 or at higher levels around \$1270-1300. ➤ Trading range in Indian markets likely to be Rs.19000-29200.
SILVER	<ul style="list-style-type: none"> ✓ Silver saw an extended fall of nearly 20% last year. Physical demand too remained lackluster due to sluggish movements in industrial metals. ✓ This year too, the bearish trend is likely to continue with small interruptions in the form of relief rallies. On technical charts, the bearish pennant pattern on quarterly timeframe similar to that in gold has already become active in September last year. Few bounce backs are certainly looking possible before any big fall. 	<p>Mid-term trend is UP</p> <p>Long term trend is DOWN</p>	<ul style="list-style-type: none"> ➤ \$14 is crucial support at COMEX, breakdown of which may push prices further down towards \$11. Major resistance is at \$17 which if broken may fuel a rally towards \$20. Buy on short term breakouts and look to short sell on resistance at \$20 or on breakdown below \$14. ➤ Trading range likely to be Rs.25000-Rs.46000 at MCX.
COPPER	<ul style="list-style-type: none"> ✓ 2015 will be a dull year for Copper. Withdrawal of bond purchasing program by US Fed would have a positive impact in long run BUT a gloomy outlook of China and over-supply in physical markets will keep it under pressure this year. However, contingent factors like production halt due to mine strikes, accidents & maintenance may bring in some relief. ✓ Technically, the chief industrial metal is struggling on charts with a complex bearish Head & Shoulders pattern in the making. Also, momentum indicators are giving their nod in favor. 	<p>Long term trend is DOWN</p>	<ul style="list-style-type: none"> ➤ Overall strategy will be to sell on rise to Rs 380-385. Major resistance is at Rs.389 whereas major support now lies at 330 which if broken on closing basis will take prices towards Rs.285-260 range.

NICKEL	<ul style="list-style-type: none"> ✓ Our bullish strategy for 2014 worked well in favor of traders. Higher supplies at present may get absorbed in second half of the year. ✓ For this year too, Nickel will remain highly volatile and may score new highs & lows in a small time. Charts are still favoring bulls with support from momentum indicators BUT it is clear that the buying levels are on dips. 	<p>Mid-term trend is DOWN</p> <p>Long term trend is UP</p>	<p>➤ Long term strategy is to buy on considerable dips. Rs.880-850 levels will attract buying. Overall range likely to be Rs 820-Rs.1360.</p>
ZINC	<ul style="list-style-type: none"> ✓ After attaining a much awaited premium over another industrial metal Lead, Zinc shifted strongly in bullish impulsion after a 5 year hiatus. ✓ The New Year is looking hopefully good for the silvery bluish metal and the current corrective phase can be seen as an ideal range to go long. 	<p>Mid-term trend is DOWN</p> <p>Long term trend is UP</p>	<p>➤ Long term strategy is to buy on current levels and also on dips to Rs.105-100. Overall range likely to be Rs 98-Rs.190.</p>
CRUDE OIL	<ul style="list-style-type: none"> ✓ 2014 proved to be disastrous year for crude despite recovery in US. Over-supply, gloomy Chinese outlook, and struggling European economies pressured the fuel that fall without any respite in the second half of 2014. ✓ Technically, bears are still having an edge on charts BUT the first quarter is likely to show some bounce back till \$70-72 as the over-sold zone gets triggered multiple times. 	<p>Mid-term trend is UP</p> <p>Long term trend is DOWN</p>	<p>➤ Trading range at MCX likely to remain between Rs.2500-4900.</p>
NATURAL GAS	<ul style="list-style-type: none"> ✓ NG remained one of the most volatile commodities in 2014. In the first half of 2014, the energy segment showed a clear shift towards consumption of natural gas in many countries. ✓ Less vulnerability to geo-political tensions still makes it an attractive commodity to bet for. ✓ On technical charts, NG may see strong buying at current levels as charts are in an over-sold zone. For long term, one should wait for a dip towards Rs.150 mark. 	<p>Long term trend is UP</p>	<p>➤ We predicted last year that NYMEX gas may reach \$7 in near future when it was struggling around \$2. Our prediction went in line as NYMEX NG traded at \$6.5 in 2014. Our forecast for \$7 may get achieved this year. Buy at MCX on dips to Rs.160-150. Trading Range-Rs.145-Rs.370.</p>

SOYBEAN	<ul style="list-style-type: none"> ✓ Reports of bumper crop in US, Argentina & Central India triggered a big fall in May 2014 that continued till October. Overall, the supply side has been given too much importance and the demand has been ignored at these levels. ✓ Technically, prices are forming triple bottom supports at various stages with possibility of a fifth wave breakout still intact. 	<p>Long term trend is UP</p>	<ul style="list-style-type: none"> ➤ The primary trend is still impulsive and this year we may get to see strong buying. ➤ Trading range in Indian markets likely to be Rs.2800-Rs.5000.
RMSEED	<ul style="list-style-type: none"> ✓ It was a good 2014 for RMSEED, the oilseed which saw a major correction in 2013. ✓ The scenario is likely to remain positive with good support from NAFED and strong buying from regional and private players. ✓ Charts are clearly in favor of an extension of the current rally. However, a small correction may be witnessed for a couple of weeks as momentum indicators hit over-bought zone. 	<p>Long term trend is UP</p>	<ul style="list-style-type: none"> ➤ Overall strategy will be to buy on dips. ➤ Trading range in Indian markets likely to be Rs.3800-Rs.5700.
DHANIYA	<ul style="list-style-type: none"> ✓ Dhaniya will see small rounds of correction this year. 2014 was a great year for the rounded seed spice with prices trading over Rs.13000. ✓ Production only in limited area of Rajasthan & MP has the capacity to quickly create an under-supply status. However, the possibilities of this happening in 2015 are least as carry forward stocks are likely to prove to be party-spoilers for bulls. ✓ Technically too, the bearish engulfing pattern on monthly chart is likely to begin a 4th wave correction. 	<p>Mid-term trend is DOWN</p> <p>Long term trend is UP</p>	<ul style="list-style-type: none"> ➤ Dhaniya is a commodity which provides ample opportunities to trade on both buy/sell sides. Sell on rise to 12200-12400. Double buy on corrections around Rs.7500-Rs.7000.
TURMERIC	<ul style="list-style-type: none"> ✓ Prices remained range-bound to negative throughout 2014 and it was only in December when prices saw a massive 22% rise. ✓ Export demand is set to increase this year and with limited area under cultivation, we may see a continuation of the December-rally in 2015. ✓ Technically, the third wave impulsion has just started and it has a long way to go from here. 	<p>Long term trend is UP</p>	<ul style="list-style-type: none"> ➤ Long term strategy is to buy on dips to Rs.8600-8550 levels. Overall range likely to be Rs 8000-Rs.14000.
CHANA	<ul style="list-style-type: none"> ✓ The last quarter of 2014 brought smiles on the face of Chana bulls that faced 		<ul style="list-style-type: none"> ➤ Long term strategy is to buy at current levels and

	<p>consistent beatings from bears in the light of heavy supply.</p> <ul style="list-style-type: none"> ✓ A strong breakout on technical chart is likely to re-ignite that lost appeal in the major pulse crop. 		<p>also on dips to Rs.3300-3250 levels. Overall range likely to be Rs 2950-4600.</p>
CASTORSEED	<ul style="list-style-type: none"> ✓ Prices turned upside in the second half of 2014, following the pattern seen in 2013 and reclaimed Rs.5000 mark in December. Despite a reasonable supply, demand is likely to take over the former in terms of sound export queries. ✓ Technically, prices are still far away from a 3rd wave breakout BUT it can be said that they are certainly moving strongly in that direction. One can expect a high momentum rise above Rs.5400 level. 	<p>Long term trend is UP</p>	<ul style="list-style-type: none"> ➤ Trading strategy should be to buy at current prices of Rs.4700-4600 level and add more above Rs.5400. ➤ Trading range in Indian markets likely to be Rs.4300-Rs.7500.
SOY OIL	<ul style="list-style-type: none"> ✓ For Soy oil, 2014 was a year of significant correction BUT long term chart is indicating a return of bulls this year. ✓ Fundamentally, DOC and other by-products' trend will again play crucial role. Trend in competitor CPO will also be watched carefully to decide the level of consistency in Soy oil. 	<p>Long term trend is UP</p>	<ul style="list-style-type: none"> ➤ Trading strategy should be to buy at current prices of Rs.650.00-625.00 level. ➤ Trading range in Indian markets likely to be Rs.580.00-Rs.880.00.
CARDAMOM	<ul style="list-style-type: none"> ✓ 2015 will be the best year for the aromatic spice. First quarter of the year may see some correction but the next two quarters are likely to fill-up that bull's space. ✓ A strong upside in other spices this year will also support cardamom. 	<p>Long term trend is UP</p>	<ul style="list-style-type: none"> ➤ Trading strategy should be to buy on dips to Rs.980.00-950.00 levels. ➤ Trading range in Indian markets likely to be Rs.900.00-Rs.1600.00.

Report Prepared By:

Gaurav Katariya

Senior - Commodity Analyst

ARIHANT Futures & Commodities Ltd

6 Lad Colony, Y.N. Road

Indore-452001

Contact

Website

Email Id

SMS: 'Arihant' to 56677

www.arihantcapital.com

research@arihantcapital.com

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ARIHANT Capital Markets Ltd

3rd Floor Krishna Bhavan, 67 Nehru Road, Vile Parle (E), Mumbai 400057.

T. 022-42254800. Fax: 022-42254880

www.arihantcapital.com