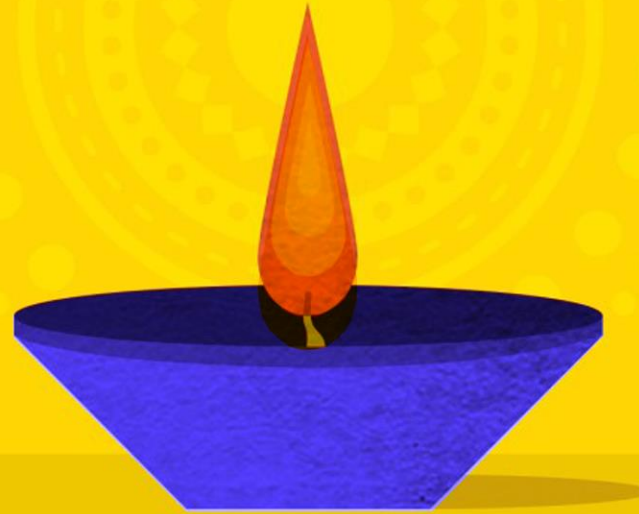




ARIHANT Capital Markets Ltd.



Happy Diwali

Samvat 2073

COMMODITY PICKS 2016-17



Best of **BULLION**

Gold: Despite scoring nearly twenty percent gains in 2016 (*year to date*), the yellow metal is facing tough resistance since last 2-3 months as the overall trading has remained lacklustre & sideways in this period. Still, a rise in demand in physical market has been seen in last few weeks. This indicates the underlying strength that may let break the indecisive trend and we may see a strong breakout on technical chart. As far as upcoming US Fed November meeting is concerned, there is a strong view among world economists that the Fed may once again postpone the decision to hike interest rates due to presidential elections. This may give a new lease of life to Gold as many traders and analysts feel that the possible impact of a hike in interest rate has already been discounted. At this juncture, traders and investors should concentrate on a short to mid-term trend as many important events including the December Fed meeting will unfold. Any bullish breakout on technical chart is likely to turn the price momentum **BIG** on this **DIWALI**.

Strategy: Buy December contract with a 3-4 weeks view above Rs.30000 for targets in the range Rs.30600-Rs.31000. Maintain a closing based stop loss level below Rs.29600.





Best of METALS & ENERGY

Zinc: After a dull phase that lasted for more than three years, Zinc is now back on the bullish track. The industrial base metal has shown consistent recovery in 2016 and it is in fact now emerging as a full fledged rally. In this part of time, fundamental reasons have well supported the market. Be it sharp rise in demand due to low production or be it new industrial uses, Zinc has become numero uno choice of metal traders. On this auspicious day of biggest Indian festival **DIWALI**, add the silvery bluish metal in your **trading portfolio**.

Strategy: Buy November contract with a 3-4 weeks view at current price of Rs.158.00 for targets in the range Rs.169.00-Rs.175.00. Maintain a closing based stop loss level below Rs.152.00.

Crude Oil: The dilemma among OPEC & non OPEC countries over production cut issue is still not over. However, demand from emerging economies continue to rise due to various long term factors like major policy shift & opening of some of the restricted sectors that were previously limited to government only. The **fuel of the fuels** can be another good addition to your **DIWALI** portfolio as it provides a perfect gauge of the world economy.

Strategy: Buy December contract with a 3-4 weeks view above Rs.3450 for targets in the range Rs.3690-Rs.3850. Maintain a closing based stop loss level below Rs.3300.





Best of A G R O

Jeera: Jeera has re-entered in the most anticipated commodity list. 2016 has been a great year for Jeera so far as the aromatic & therapeutic spice saw big spells of bullish rally till July. It was only in August that the correction started. However, prices have again found a strong support at lower levels and its time to '**Jeera fry**' this **DIWALI** with a confident addition to your trading portfolio.

Strategy: Buy December contract with a 3-4 weeks view at current price of Rs.17500 and add more above Rs.17750 for targets in the range Rs.19200-Rs.20500. Maintain a closing based stop loss level below Rs.16800.

RM Seed (Mustard): The oilseed is trading near contract lows amid low demand from millers and weak sentiments in other oilseeds like soybean. However, the demand is likely to rise in winter and since the time remaining for new crop is still a good five to six months, we may face a shortage in next few months. Thus, Mustard seeds can be your another **DIWALI** addition as it has the potential to generate **CRACKING** returns!

Strategy: Buy December contract with a 3-4 weeks view above Rs.4600 for targets in the range Rs.4850-Rs.5100. Maintain a closing based stop loss level below Rs.4450.





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