

Commodity Watch: Gold

Bearish price action suggest temporary halt in upside move of Gold

Considering last week’s price action and the close at \$1341.57, the direction of Gold is likely to be determined by price action at 23.6% level at \$1311.89 and the 38.2% level at \$1283.01. Holding both support levels will support continuation of rally.

Bullish Scenario

Taking out Friday’s high \$1358.13 will signal the presence of buyers. If this move generates enough upside momentum then look for the rally to possibly extend into the main top at \$1375. Taking out this main top will strengthen the bullish move. This could trigger a surge into the 38.2% level at \$1392.

Bearish Scenario

The inability to overtake \$1311.89 will indicate the presence of sellers. Taking out \$1283.01 will indicate the selling is getting stronger. This could lead to acceleration to the downside if \$1311.89 and \$1283.01 are taken out. The daily chart is wide open to the downside with the next major downside target 50% Fib level \$1259.67.



Disclaimer:

This research report has been prepared and published by AZEE Securities (REP-031). This report is provided for information purposes only. Under no circumstances, should this be used or considered as an offer to sell or solicitation of any offer to buy. While reasonable care has been taken to ensure that the information contained herein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, AZEE Securities and/or any of their officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report. This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report. Investments in capital markets are subject to market risk and AZEE Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. In particular, the report takes no account of the investment objectives, financial situation, and particular needs of investors, who should seek further professional advice or rely upon their own judgment and acumen before making any investment. The views expressed in this report are of the Research Department and do not necessarily reflect those of the company or its directors. AZEE Securities as a firm may have business relationships, including investment- banking relationships, with the companies referred to in this report. AZEE Securities or any of their officers, directors, principals, employees, associates, close relatives may act as a market maker in the securities of the subject company, may have a financial interest in the securities of the subject company to an amount exceeding 1% of the value of the securities of the subject company, may serve or may have served in the past as a director or officer of the subject company, may have received compensation from the subject company for corporate advisory services, brokerage services or underwriting services or may expect to receive or intend to seek compensation from the subject company for the aforesaid services, may have managed or co-managed a public offering, take-over, buyback, delisting offer of securities or various other functions for the subject company.

All rights reserved by AZEE Securities. This report or any portion hereof may not be reproduced, distributed, or published by any person for any purpose whatsoever. Nor can it be sent to a third party without prior consent of AZEE Securities. Action could be taken for unauthorized reproduction, distribution, or publication.

Research Dissemination Policy:

AZEE Securities endeavors to make all reasonable efforts to disseminate research to all eligible clients in a timely manner through either physical or electronic distribution such as email, fax mail etc.

Analyst Certification:

The research analyst, denoted by 'AC' on the cover of this report, primarily involved in the preparation of this report, certifies that (1) the views expressed in this report accurately reflect his/her personal views about the subject company/stock /sector and (2) no part of his/her compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this report.

Valuation Methodology:

To arrive at our 12-months Price Target, AZEE Securities uses different valuation methods which include:

- 1). DCF methodology,
- 2). Relative valuation methodology, and
- 3). Asset-based valuation methodology.

Ratings Criteria:

AZEE Securities employs a three-tier ratings system to rate a stock, as mentioned below, which is based upon the level of expected return for a specific stock. The rating is based on the following with time horizon of 12 -months.

Rating Expected Total Return

| | |
|------|-------------------------------|
| Buy | Greater than or equal to +15% |
| Hold | Between -5% and +15% |
| Sell | Less than or equal to -5% |

Ratings are updated to account for any development impacting the economy/sector/company, changes in analysts' assumptions or a combination of these factors.

Contact Details:

AZEE Securities Private Limited
Trading Rights Entitlement Certificate (TREC) Holder of
Pakistan Stock Exchange Limited
Corporate Member of Pakistan Mercantile Exchange Limited

Corporate Office:

Suite # 208 2nd Floor, Business & Finance Centre,
Main I.I Chundrigar Road
Karachi – 74000 Pakistan
Tel: +9221-111-293-293
Fax: +9221-2477622
Website: www.azeetrade.com
Email: info@azeetrade.com

Register Office:

Room # 33, Ground Floor,
Pakistan Stock Exchange Building,
Stock Exchange Road,
Karachi – 74000, Pakistan
Tel: +9221-32460678-82
Fax: +9221-32477622
Email: info@azeetrade.com

Clifton Branch:

Room #1, Mezzanine Floor,
Hamilton Court,
Teen Talwar Clifton, Karachi
Tel: +9221-35821467-9
Fax: +9221-35831614
Email: info@azeetrade.com

Gulshan-e-Iqbal Branch:

Room 404, 4th Floor, Trade Center
Block 13/A, Gulshan-e-Iqbal,
Karachi
Tel: +9221-34802390-4,
+9221-34144544
Fax: +9221-34972962
Email: info@azeetrade.com

North Nazimabad Branch:

D-17, Block-H,
North Nazimabad, Karachi
Tel: +9221-36706681-90
Fax: +9221-36706688
Email: info@azeetrade.com

Malir Cantt Branch:

C-29 First Floor,
Main Cantt Bazar,
Malir Cantt, Karachi-75070
Tel: +9221-34900222
Email: info@azeetrade.com

Lahore Branch:

Office # 226, 2nd Floor,
Siddique Trade Center,
Main Boulevard, Lahore
Tel: +9242-35792024
+9242-35787606
Fax: +92423-5787606
Email: info@azeetrade.com

Rawalpindi Branch:

Hall # 2, 1st Floor, Bilal Plaza
Haider Road,
Saddar, Rawalpindi
Tel: 051-5566593-7
Email: info@azeetrade.com

Chakwal Branch:

C-20, 1st Floor, City Trade Center
Tehseel Chowk, Chakwal
Tel: +92543-435466,
+92543-553850
Fax: +92543-553336
Email: info@azeetrade.com

AZEE Securities Private Limited

TREC Holder of Pakistan Stock Exchange Limited
Research Identity Number: 031
© Copyright 2019

 **Jama Punji**
سرمایہ کاری سمجھداری کے ساتھ
<http://www.jamapunji.pk/>