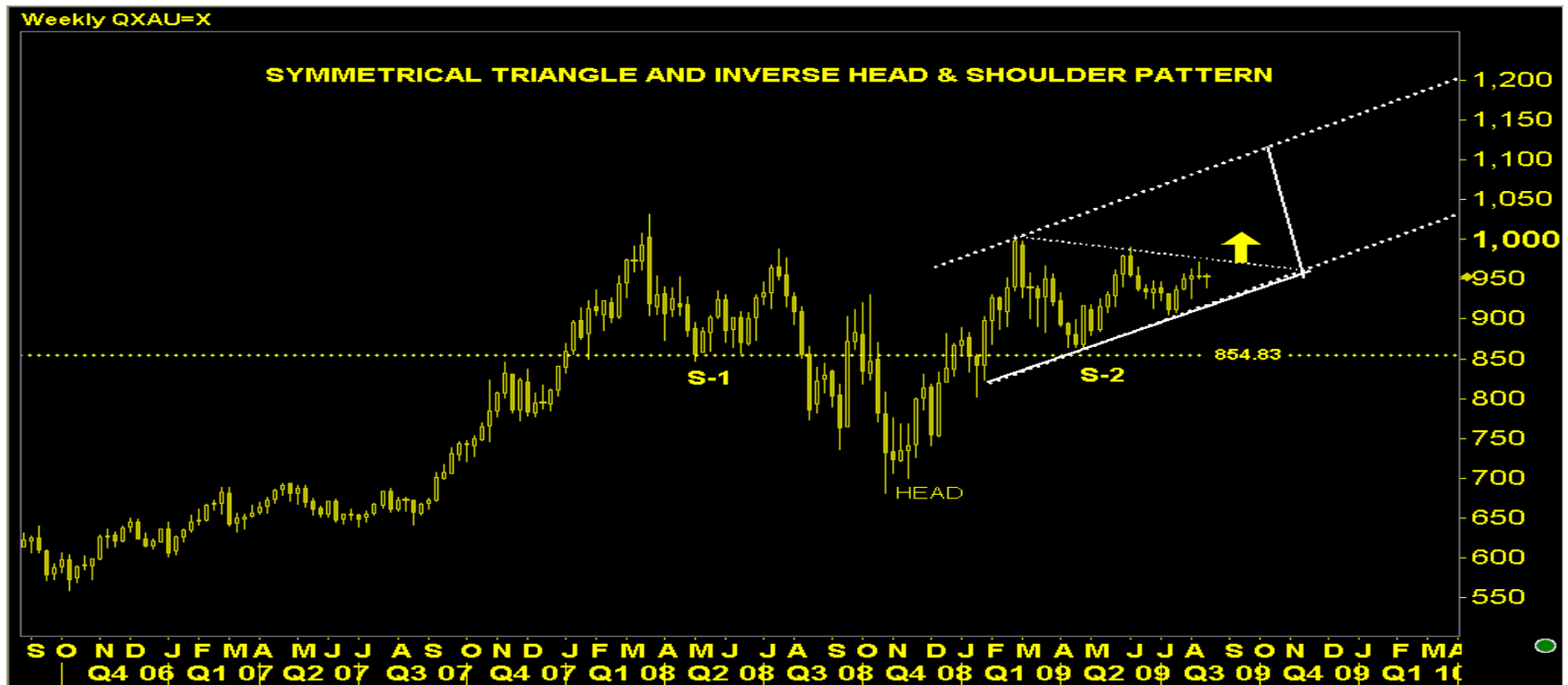


TECHNICAL ANALYSIS ON GOLD

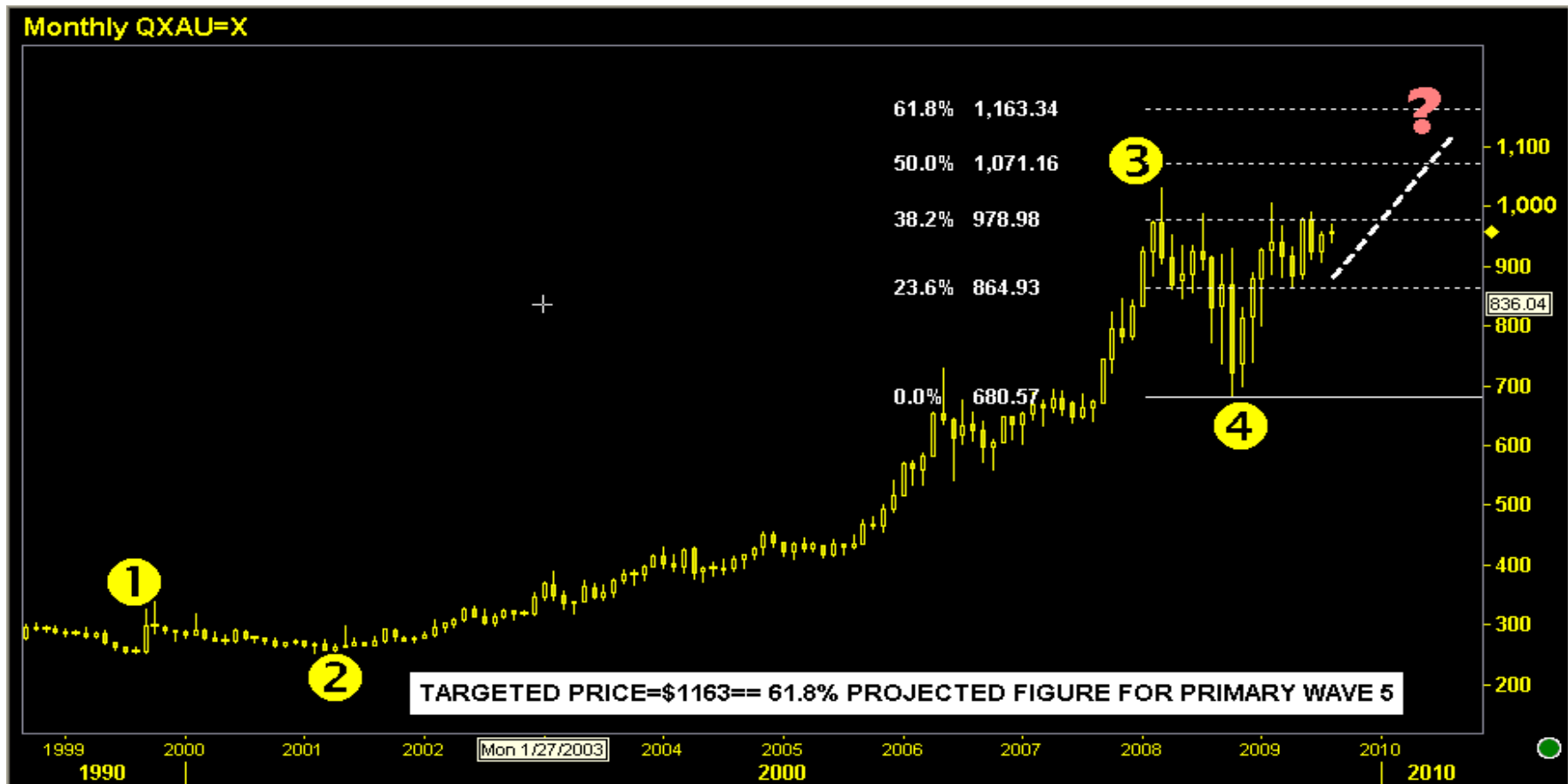
Explanation of Chart-1: Going with the historical price chart, multiple chart patterns are seen forming in the weekly chart which is basically of continuation in nature. We are witnessing a *Symmetrical triangle* and an *inverse Head & Shoulder* pattern and break out above \$980 may confirm the uptrend. As per the pattern target market may move to 1150/1160 levels in the medium term time frame.

Chart-1



Explanation of Chart-2: To support the above analysis, another principle is also supporting the uptrend. The Elliot Wave Theory is applied on the monthly historical price chart suggesting an upward trend for the gold prices. Going by the wave principle, we are witnessing a major primary wave-5 running on the price chart and minimum expected target is around \$1150/1200 range. However, break above \$1200 may extend the gains to around \$1300 as a wave extension.

Chart-2



Explanation of Chart-3: 2% standard deviation *Bollinger Band* is also suggesting that prices still have potential to move higher. *Historically, for the past 6 years gold is moving above the average line and trading almost with the upper band.* However, the current levels are slightly below the (2% SD) upper band suggesting market has enough room for the prices to touch \$1150/1200

Chart-3



Explanation of Chart-4: Looking at the momentum indicators, RSI-14 and MACD lines are signaling a bullish trend for the prices. Recently gold rose from \$682 to 1000 levels but the RSI hovered within 0.45 to 0.59 suggesting strength in the ongoing up trend. Moreover, the MACD is trading above the signal line which is a signal for bullish trend.

Chart-4





KCTL Outlook: Break out above \$980/985 may confirm the *symmetrical and inverse Head & Shoulder pattern*. The momentum indicators RSI-14 and MACD are also suggesting an uptrend on the price levels. On the risk side, if market fails to breach and sustains above \$980/985, then a generous lower correction can not be ruled out. The crucial supports can be seen at \$900 and \$860 levels.

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