

# Pathfinder

## Safe haven on Crisis Cure!!!

## Fundamental Update

- Gold took a brief pause in the past month, but is once again gaining momentum
- Dollar index witnessed some recovery but, was under pressure for most of May
- While, Dollar was falling, Global Yields witnessed a significant Jump
- USDINR is witnessing sharp swings between ~86.2 and ~83.70
- Japan long term Yields surged to their all-time highs, increasing risk for Dollar and US economy
- Market participants were seen hopping from safe haven to riskier assets and vice-versa last month
- President Trump announced a blanket tariffs on many countries at start of April
- However, US President Trump was quick enough to announce a 90 days breather on these tariffs and use this window for negotiation
- U.S.-China and U.S.-EU trade talks dominated market sentiment last month
- Debate over U.S. tax-cut bill created fiscal policy uncertainty
- Fed minutes showed no immediate rate cuts but acknowledged dual risks
- Moody's revised the credit rating lower and flagged US rising debt as a big concern, which could weigh on growth as well
- US GDP and inflation numbers were reported lower than expectations
- Industrial metals along with Silver gained on China's rate cut and stimulus expectations
- Israel-Gaza and Russia-Ukraine tensions provided brief safe-haven support
- President Trump is trying ease off tensions in Middle East however, ceasefire does not seem to hold
- Chinese gold ETFs added 65t in April, strongest month ever
- Buy on Dips stance could be maintained for this month

# MCX Gold Technical Update



- MCX Gold has broken out of a Cup and Handle pattern on the 4-hour chart, indicating the continuation of a bullish trend. The price structure is forming higher highs and higher lows, reinforcing the upward momentum.
- Additionally, the 14-period RSI on the daily chart is holding above the 50 level, suggesting strengthening bullish momentum.
- Therefore, we recommend buying in the range of ₹98350 – ₹98500, with a stop-loss below ₹95900 on a closing basis and upside targets at ₹1,02,000.

# COMEX Gold Technical Update



- On Daily Chart in COMEX Gold, prices have convincingly breakout above the Falling trend line and trading in higher highs and higher lows formation.
- 14 - Period RSI is also poised to move upwards and it's holding well above midpoint mark of 50 signalling market strength
- So, we recommend to buy in current range of \$3370 – \$3375 with stop loss below \$3285 level on sustainable basis and with an upside targets at \$3500 levels.

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Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; [www.motilaloswal.com](http://www.motilaloswal.com). Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: [na@motilaloswal.com](mailto:na@motilaloswal.com), Contact No.:022-40548085.

## Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	<a href="mailto:query@motilaloswal.com">query@motilaloswal.com</a>
Ms. Kumud Upadhyay	022 40548082	<a href="mailto:servicehead@motilaloswal.com">servicehead@motilaloswal.com</a>
Mr. Ajay Menon	022 40548083	<a href="mailto:am@motilaloswal.com">am@motilaloswal.com</a>

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