

**STRENGTH OF RESEARCH, FOUNDATION OF WEALTH**  
Sept 21<sup>st</sup>,2009

**US Market Weekly Summary**

	<b>INTL. MARKET</b>	<b>NYClose (In US\$)</b>	<b>Change (In US\$)</b>
GOLD	Comex	1009.40	+4.20
SILVER	Comex	1704.30	+36.70
COPPER	Comex	2.7710	-0.0565
LIGHT CRUDE OIL	Nymex	72.04	+2.75
NATURAL GAS	Nymex	3.778	+0.818
DOW JONES		9820.20	214.79
INR Level	48.24		

**Fundamental Comments**

Home sales and orders for long- lasting goods probably rose in August, extending gains that have signaled the U.S. is emerging from the worst recession since the 1930s, economists said before reports this week. Purchases of new and existing houses climbed to a combined 5.79 million annual pace last month, the most in almost two years, according to the median forecast of economists surveyed by Bloomberg News. Bookings for durable goods likely rose 0.4 percent, the fourth advance in five months, the survey showed. Housing and manufacturing, two areas that deepened the slump, are stabilizing as stimulus measures such as credits to first-time homebuyers and “cash for clunkers” revive demand. Bernanke, the Fed’s chairman, last week said the recession “is very likely over.” The central bank will maintain the benchmark interest rate near zero at least through the middle of next year, according to the median estimate of economists surveyed earlier this month. The policy-making Federal Open Market Committee’s announcement is due Sept. 23. In another sign the economy is recovering, the index of leading economic indicators probably rose in August for a fifth consecutive month, economists forecast the Conference Board will report tomorrow. The increases mark the gauge’s best performance since 2004. Consumers are becoming less pessimistic. The Reuters/University of Michigan index of consumer sentiment probably rose to 70.5 this month from 65.7 in August, according to economists’ forecasts before the Sept. 25 report.

## Market Relay

As we said that base metal would face correction last week , and the market behave the same as predicted. We are still maintain our bearish view on the base metal sector. A bit bounce may witness at the mid of the week. And as of now we are still in long at USDINR, initiated at 48.50. And another point ...GOLD and SILVER are set to make their first 2-day losing streaks since mid August. So far this year, gold has never started a new uptrend after a losing week that followed 2 straight winning weeks. Thus, a lower close this week is unlikely to renew the current upswing past the 1,020s this time. We still expect a retreat towards 960 before a more successful attempt past 1030 high and eventually towards 1,200 as early as end of Q4. The 4-day selloff in equities was instrumental in propping gold's latest run-up, but the next sell-off in equities may not be as gold-positive, especially if it is caused by broadening talk of tighter monetary policy in US and EU.

*For copper we can say we will go for short if copper able to give a close below 6050 in daily basis. From the chart only we can see there is a nice triple top near 6500 range in LME where the support is there clearly at 6070. So go short in copper only if it give a close below 6050 at LME. Maintain a stop above 6400 and continue to hold the short. The near term target will be near 5750.*



## LME Copper Daily

## News Alert

- G20 leaders are now ready to cap the bankers incentives which will depend upon capital
- China President said that China will face tough task to maintain growth
- Dubai said that the country passed the worst recession
- India will allow appreciation of INR to avoid inflationary pressure
- Base metal and energy will face another round of correction in near term

## Important Weekly Events

Country	Date	Time IST	Data	Forecast
US	21.09.09	7.30pm	Leading Indicator	+0.9
Germany	23.09.09	1.30pm	Purchasing Manager Index Manu	51.2
US	23.09.09	11.45pm	FED Interest Rate	0.25%
US	24.09.09	6.00pm	Initial Jobless Claim	550K
US	24.09.09	7.30pm	Existing Home Sales	5.35Mln
US	25.09.09	6.00pm	Durable Goods Orders	+0.4%
US	25.09.09	7.30pm	New Home Sales	440Mln

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