

# **TECHNICAL PICK OF THE WEEK**

## **MULTI COMMODITY EXCHANGE OF INDIA LIMITED**

**JULY 27, 2021**

July 27, 2021

TECHNICAL PICK

MULTI COMMODITY EXCHANGE OF INDIA LTD

BUY

CMP: Rs1695

TARGET PRICE:Rs2087 & Rs2480

TIME : 6-9 months

**Overview:** Multi Commodity Exchange Of India Limited is an independent Indian government owned commodity exchange based in India. It is under the ownership of Ministry of Finance , Government of India. It was established in 2003 by the Government of India. It is India's largest commodity derivatives exchange. MCX offers options trading in gold and futures trading in non-ferrous metals, bullion, energy, and a number of agricultural commodities. The company was among the top global commodity exchanges in terms of the number of futures contracts trade.

SNAPSHOT

Market Cap (Cr )	8,642
52 week H / L (Rs)	1875.00 / 1434.80
BSE Code	534091
NSE Code	MCX



**Investment Rationale:**

- **Multi Commodity Exchange Of India Limited** has given a breakout from a continuation formation: **Flag and Pole (Weekly Chart)** and recently completed pullback move also.
- Trend line breakout has been witnessed in **RSI**.
- Positive crossover has been observed in **Stochastic oscillator and MACD**.
- **Rising volume** is also accompanied at the time of price breakout.
- In **Daily chart**, stock price bounced from its strong support level of 1630 with a **Bullish Engulfing** pattern and sharp uptick in volume has been spotted. In addition to this, 200DMA placed around the same level (Red Line).

**Recommendation:** We recommend a **BUY** at current market price of Rs1695 or decline upto Rs1630 with a closing stop loss of Rs1450 for a target of Rs2087 & Rs2480 with a horizon of 6–9months.

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