

# Global Research

## Gold & Silver Marketwatch

### Daily Update

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#### Market Commentary

Opening the session marginally higher at 1249.00/1250.00, gold slumped to a low of 1245.50/1246.50 as the dollar rallied amid ebbing risk sentiment in advance of the U.S. housing and jobless claims figures, and tomorrow's non-farm payrolls figure. The metal was later lifted to a high of 1253.25/1254.25 as the dollar retreated as higher pending U.S. home resales enhanced investor risk-appetite, before profit taking in the afternoon carried the commodity to its close of 1251.00/1252.00.

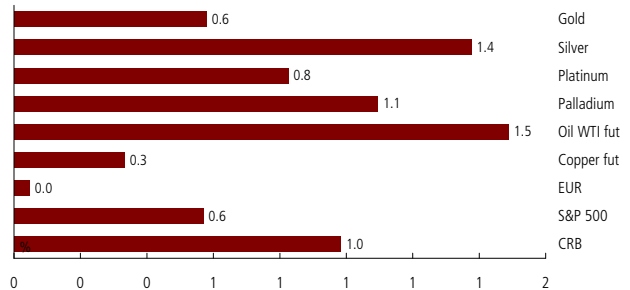
Silver continued its advance overnight, opening at 19.50/19.53 before dipping to an intraday low of 19.44/19.47 after gold withdrew. The metal later rallied to a high of 19.67/19.70 on strength in gold and base metals, before concluding the session just off its high at 19.64/19.67 as funds captured profit.

#### Technical Commentary

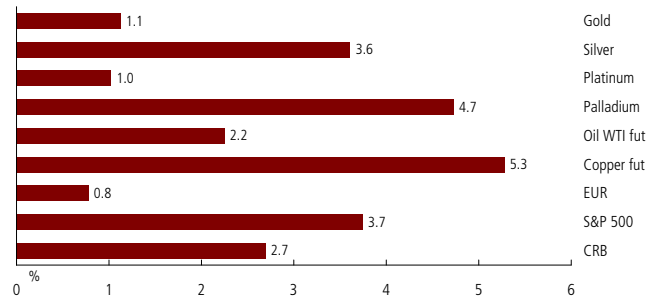
Gold improved to 1251 today, having been able to hold above last weeks high of 1244 since the level broke on Monday. Yesterday's high of 1254 is the initial resistance with the 1265 record high within striking distance. Above 1265 opens up fresh territory with an initial measured move of 1290, which is equidistant to our 1157 to 1237 leg extrapolated off the reaction low of 1210.

Silver continued its run today, with May's high of 19.81 now firmly in sight after eliminating June's high of 19.46. We are bullish on silver looking for an eventual test of the 2008 high of 21.35. The gold/silver ratio broke lower today through August's low of 64.30 to 63.75. On the longer term chart the gold/silver ratio is quite bearish while the ratio holds below 64.90, and we see April's low of 62.66 as the next major support followed by the 2010 low of 60.77.

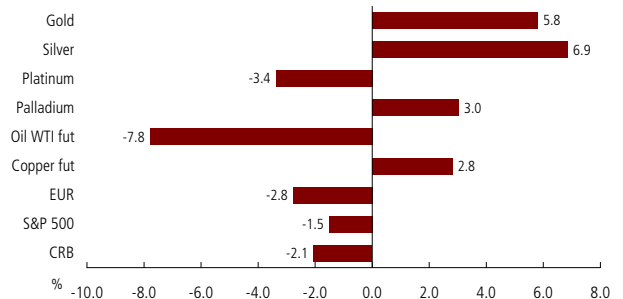
#### 1-Day Commodity Moves



#### 5-Day Commodity Moves



#### 1 Month Commodity Moves



9/2/10 15:12 - Time above charts last updated - Source: Bloomberg

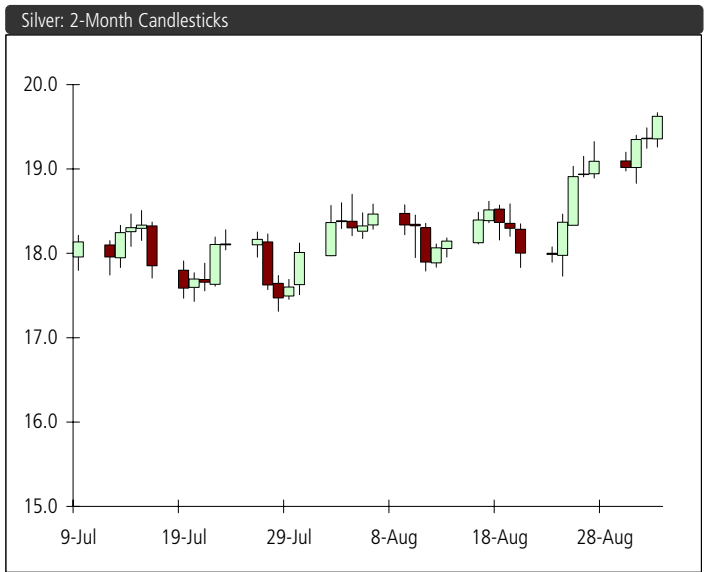
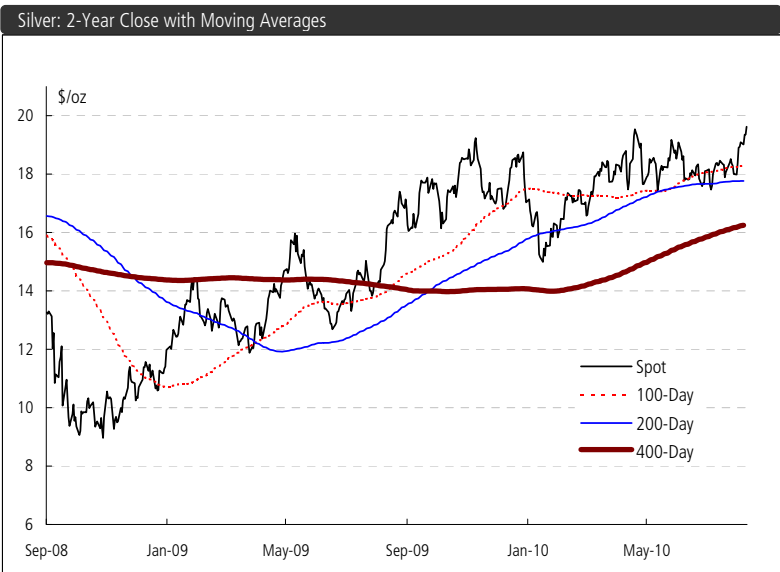
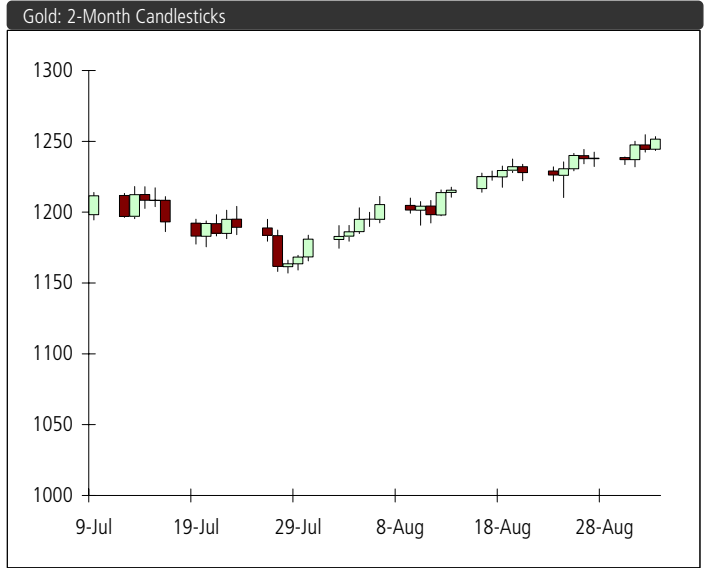
#### Technical Levels, etc. Gold, Silver, Platinum & Palladium

	Gold	Silver	Platinum	Palladium
Open	1249.00/1250	19.50/19.53	1,533.00	518.50
High	1253.25/1254.25	19.67/19.70	1,556.80	525.75
Low	1245.50/1246.50	19.44/19.47	1,526.60	513.10
Close / Last Mid*	1251/1252.00	19.64/19.67	1,548.20	523.68
London Fix AM	1,247.75	19.45	1,538.00	519.00
London Fix PM	1,248.50	NA	1,550.00	521.00
Handy Harman (Base)	1,248.50	19.54	1,550.00	521.00
Gold / Silver Ratio	64.19	NA	NA	NA
Open Interest	Gold OI	Silver OI		
COMEX	579,164		132,334	
CBOT	<u>2,604</u>		<u>1,307</u>	
Total	581,768		133,641	

#### Technical Levels, etc.

	Gold	Silver	Platinum	Palladium
Pivot	1,249.95	19.522	1,540	516.98
Primary Support (Buy)	1,245.17	19.376	1,524	507.52
Primary Resistance (Sell)	1,256.35	19.783	1,564	534.47
HBOP	1,267.52	20.191	1,604	561.42
LBOP	1,234.00	18.968	1,484	480.57
Bollinger Band Upper	1,257.05	19.566	1,560	519.60
Bollinger Band Mid	1,226.53	18.572	1,532	489.99
Bollinger Band Lower	1,196.01	17.578	1,504	460.38
Relative Strength 9 Day	75	78	61	73
Relative Strength 14 Day	69	71	55	68

Close/last mid refers to the spot closing floor price in gold and silver, and spot's last mid price as provided by Bloomberg in platinum & palladium spot  
 All other data provided by Bloomberg. Actual market levels may have differed.



Source: Bloomberg - which can differ slightly from market spot prices

Moving Averages	Gold	Silver	Platinum	Palladium
5 Day MA	1,243.66	19.288	1,533	509.24
10 Day MA	1,238.06	18.864	1,527	498.74
20 Day MA	1,226.53	18.572	1,532	489.99
30 Day MA	1,211.22	18.393	1,543	488.74
60 Day MA	1,214.67	18.334	1,541	474.16
100 Day MA	1,207.14	18.317	1,579	483.81
200 Day MA	1,163.16	17.780	1,565	458.36
400 Day MA	1,027.17	15.587	-	-

FX Majors	Markets		
CAD	1.0539	CRB	271.15
EUR	1.2811	DJAIG	133.56
GBP	1.5387	Crude (fut)	75.05
CHF	1.0142	S&P 500	1086.76
AUD	0.9112	US 10 Yr	2.62
ZAR	7.2301	US 30 Yr	3.72
JPY	84.2100	CDN 10 Yr	2.87
as of:	9/2/2010 15:12	as of:	9/2/2010 15:12

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