

Market Commentary

Gold opened at 1066.00/1067.00 in New York. Profit taking took the metal lower as the session began, retreating to 1061.00/1062.00. Stronger equity markets and rallying oil prices carried gold off its lows. Short covering lifted the metal and it continued to climb, touching an intraday high of 1073.00/1074.00. Good selling later entered the market, dragging it lower and it traded quietly in a range, finally settling at 1065.00/1066.00.

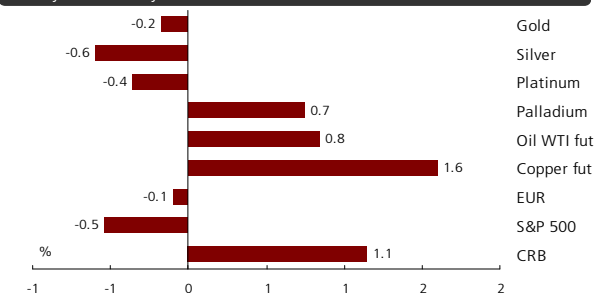
Silver opened at 1495.00/1498.00 and slipped to an intraday low of 1493.00/1496.00 before it turned bid. It climbed on the back of rallying oil and a softening USD, finding resistance near 1520.00. However good investor demand pushed the metal to an intraday high of 1521.00/1524.00, before profit taking pulled it lower and it finally closed at 1505.00/1508.00.

Technical Commentary

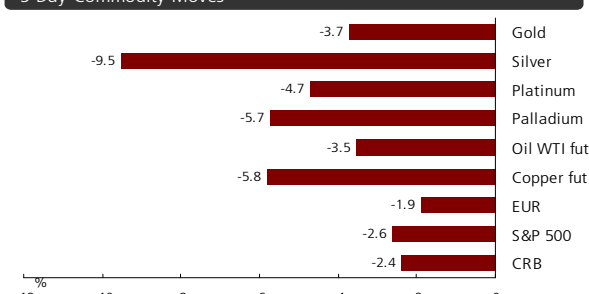
Gold has registered a flat day, showing some stability after seeing strong downside volatility on Friday. Friday's move almost challenged trend support formed off of the April lows, but buyers entered the market and defended this key trend line. Adding even more support to Friday's low is its correspondence to the 50% Fibonacci retracement of the April double bottom basing at \$865.50. This is a line in the sand and should bears push past here, expect \$1026.70 and \$1000 to be the next downside targets.

Silver has stabilized today, however the gold/silver ratio continues to see upwards pressure towards the July high at 72 (currently at 70.6). Silver's liquidation is likely not yet complete and the risk still lies toward a test of 14.

1-Day Commodity Moves

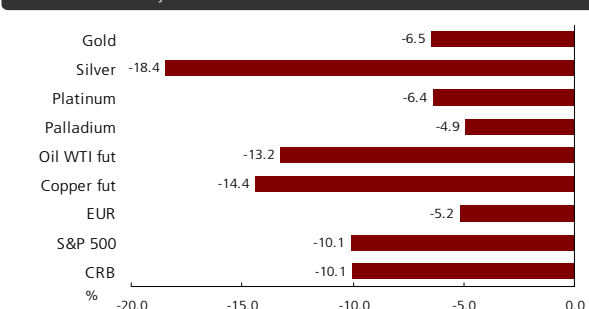


5-Day Commodity Moves



2/8/10 15:35 - Time above charts last updated - Source: Bloomberg

1 Month Commodity Moves



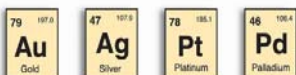
Gold, Silver, Platinum & Palladium

	Gold	Silver	Platinum	Palladium
Open	1066.00/1067.00	14.95/14.98	1,478	407
High	1073.00/1074.00	15.21/15.24	1,494	409
Low	1061.00/1062.00	14.93/14.96	1,468	398
Close / Last Mid*	1065.00/1066.00	15.05/15.08	1,478	407
London Fix AM	1,070.00	15.140	1,490	406.00
London Fix PM	1,064.00	NA	1,477	405.00
Handy Harman (Base)	1,064.00	15.180	1,477	405.00
Gold / Silver Ratio	70.3	NA	NA	NA
Open Interest	Gold OI		Silver OI	
COMEX	379,199		104,594	
CBOT	<u>2,497</u>		<u>1,548</u>	
Total	381,696		106,142	

Technical Levels, etc.

	Gold	Silver	Platinum	Palladium
Pivot	1,066.85	15.117	1,480	399.55
Primary Support (Buy)	1,059.76	14.861	1,450	389.85
Primary Resistance (Sell)	1,071.74	15.301	1,508	417.45
HBOP	1,083.72	15.741	1,566	445.05
LBOP	1,047.78	14.421	1,392	362.25
Bollinger Band Upper	1,153.78	19.441	1,656	472.01
Bollinger Band Mid	1,104.32	17.088	1,559	433.87
Bollinger Band Lower	1,054.87	14.735	1,461	395.72
Relative Strength 14 Day	37	26	41	44

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.



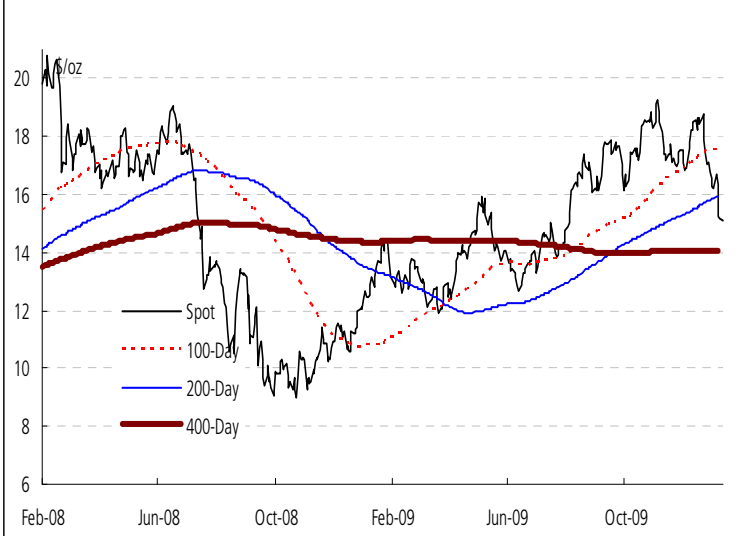
Gold: 2-Year Close with Moving Averages



Gold: 2-Month Candlesticks



Silver: 2-Year Close with Moving Averages



Silver: 2-Month Candlesticks



Moving Averages

	Gold	Silver	Platinum	Palladium
5 Day MA	1,083.73	15.713	1,524	420.05
10 Day MA	1,087.75	16.099	1,523	420.93
20 Day MA	1,104.32	17.088	1,559	433.87
30 Day MA	1,108.99	17.275	1,545	427.71
60 Day MA	1,125.87	17.626	1,496	399.29
100 Day MA	1,096.52	17.433	1,432	368.42
200 Day MA	1,023.05	15.973	1,321	313.39
400 Day MA	914.80	14.044	-	-

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

FX Majors

CAD	1.0738
EUR	1.3671
GBP	1.5607
CHF	1.0722
AUD	0.8661
ZAR	7.7397
JPY	89.3400
as of:	2/8/2010 15:35

Markets

CRB	261.52
DJAIG	127.98
Crude (fut)	71.89
S&P 500	1,062.38
US 10 Yr	3.58
US 30 Yr	4.51
CDN 10 Yr	3.35
as of:	2/8/2010 15:35

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