

Global Research

Gold & Silver Marketwatch

Daily Update

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Market Commentary

Gold sank overnight after a week of positive global economic data, with the fall below 1450 triggering stops along the way. The metal opened today at 1429.25/1430.25, and fell further to a low of 1419.25/1420.25, as USD strengthened. Prices recovered in the afternoon to a high of 1438.50/1439.50 on short covering ahead of the G7 meeting. Gold closed the week at 1437.50/1438.50.

Silver also opened lower at 23.31/23.36, before trading down further to a session low of 23.18/23.23. The metal fared better than gold, as an afternoon rally took prices back up to a high of 23.71/23.76. Silver closed shortly after at 23.65/23.70.

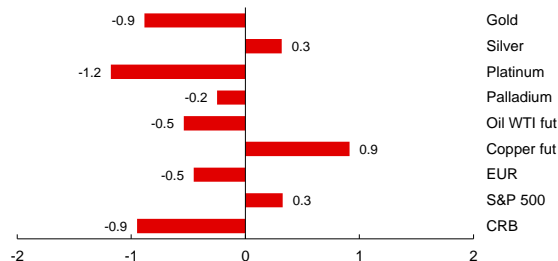
Technical Commentary

Gold closed lower on the week, at 1437. The trading action of the past 3 weeks has all been within the range of the week ended April 19th – typical of a consolidation. The consolidation pattern resembles a flag, a typical continuation pattern (bearish). The last signal in MACD was a sell on the weekly chart, and RSI has not yet reached oversold. The Directional Movement Index (DMI) shows that the downtrend is still in full force. The risk is for a retest of the 1322 low – a breach of which will target 1301 and then 1155 (the 50% and 61.8% retracement levels of the 2008 to 2011 uptrend).

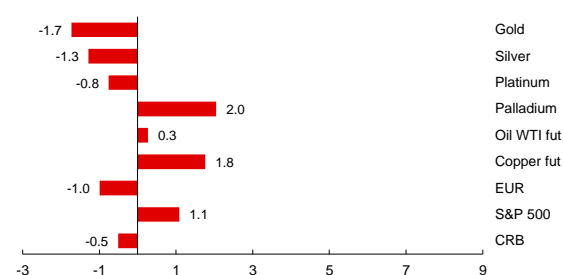
The technical picture for silver is similar to that of gold. Silver closed lower at 23.70 this week, but remains within a consolidation inside the range from the week ended April 19th. Most of the price action for the past 3 weeks has been below 24.25, the 61.8% retracement of the 2008 to 2011 uptrend, which is bearish for the metal. Our long-term target is 16.74, which is the height of the consolidation pattern from September 2012 through 2013, projected from the bottom of the pattern which broke at 26.07.

The gold-silver ratio is trading lower this week at 60.57 but has been in a sideways trend the past 3 weeks following its breakout mid-April. Resistance is at 63.89, the 61.8% retracement of the 2008 to 2011 downtrend. A breach of this level will target 84.52, a full retracement to the 2008 high.

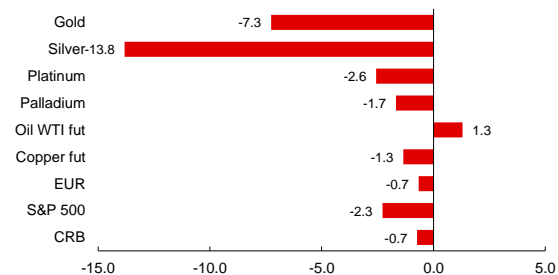
1-Day Commodity Moves (%)



5-Day Commodity Moves (%)



1 Month Commodity Moves (%)



5/10/13 16:07 (last updated) Source: Bloomberg

Notable Ranges & Technical Levels

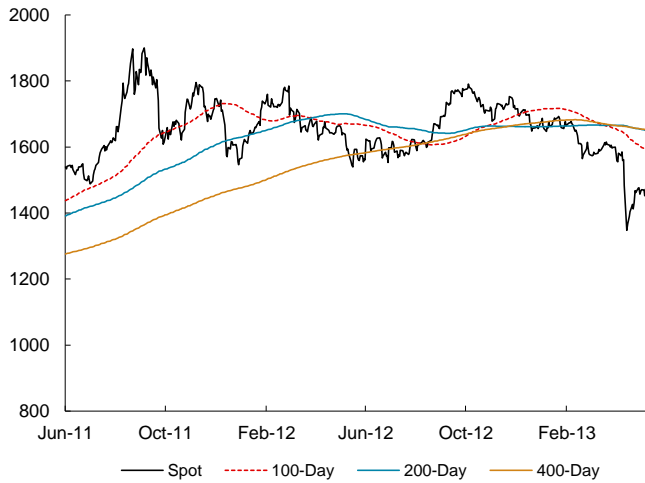
	Gold	Silver	Platinum	Palladium
Open	1429.25/1430.25	23.31/23.36	1,506.50	708.75
High	1438.50/1439.50	23.71/23.76	1,516.15	711.80
Low	1419.25/1420.25	23.18/23.23	1,472.45	696.80
Close / Last Mid*	1437.50/1438.50	23.65/23.70	1,488.90	707.80
London Fix AM	1,449.25	23.37	1,502.00	704.00
London Fix PM	1,426.50	NA	1,490.00	702.00
Handy Harman (Base)	1,426.50	23.290	1,490.00	702.00
Gold / Silver Ratio	61.04	NA	NA	NA
Open Interest	Gold OI	Silver OI		
COMEX	442,341	145,324		
CBOT	651	315		
Total	442,992	145,639		

Technical Levels

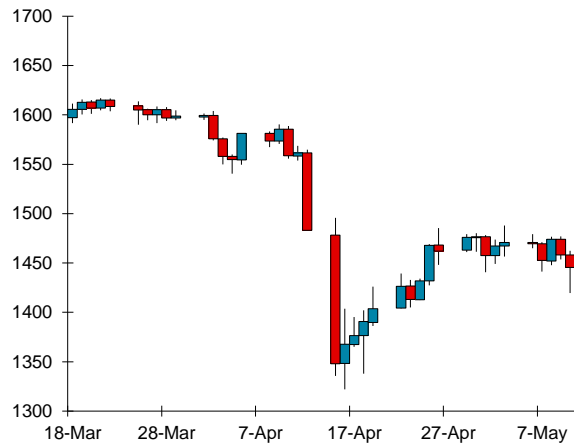
	Gold	Silver	Platinum	Palladium
Pivot	1,447.30	23.737	1,493	705.17
Primary Support (Buy)	1,417.81	23.277	1,468	693.83
Primary Resistance (Sell)	1,474.90	24.275	1,514	719.13
HBOP	1,531.99	25.273	1,560	744.43
LBOP	1,360.72	22.279	1,422	668.53
Bollinger Band Upper	1,515.12	24.655	1,538	713.67
Bollinger Band Mid	1,436.80	23.699	1,466	684.70
Bollinger Band Lower	1,358.48	22.744	1,394	655.72
Relative Strength 9 Day	42	42	50	58
Relative Strength 14 Day	42	39	48	52

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 differ.

Gold: 2-Year Close with Moving Averages (\$/oz)



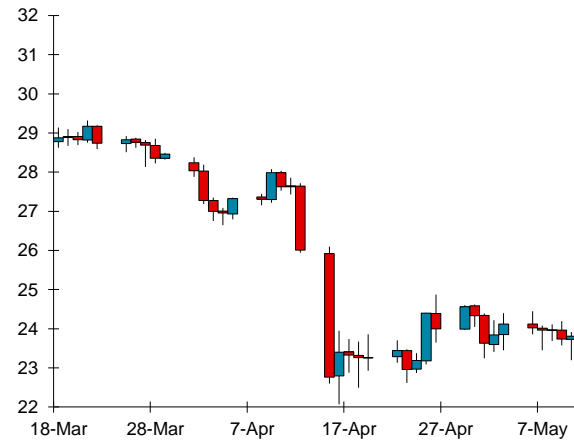
Gold: 2-Month Candlesticks (\$/oz)



Silver: 2-Year Close with Moving Averages (\$/oz)



Silver: 2-Month Candlesticks (\$/oz)



Source: Bloomberg (may differ from market spot prices)

Moving Averages

	Gold	Silver	Platinum	Palladium
5 Day MA	1,459.96	23.901	1,497	698.22
10 Day MA	1,464.79	24.000	1,498	696.57
20 Day MA	1,436.80	23.699	1,466	684.70
30 Day MA	1,478.90	24.906	1,491	702.14
60 Day MA	1,535.91	26.892	1,544	728.26
100 Day MA	1,587.80	28.536	1,584	726.47
200 Day MA	1,649.04	30.418	1,582	683.76
400 Day MA	1,650.96	30.593	-	-

FX Majors

CAD	1.0118
EUR	1.2984
GBP	1.5360
CHF	0.9579
AUD	1.0009
ZAR	9.0921
JPY	101.5700
as of:	5/10/2013 16:07

Markets

CRB	288.68
DJAIG	131.94
Crude (fut)	95.87
S&P 500	1632.12
US 10 Yr	1.89
US 30 Yr	3.09
CDN 10 Yr	1.88
as of:	5/10/2013 16:07

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