



Daily Metal Commentary **Thursday, July 9, 2009**

Today's News

- Weekly Jobless Claims at 565,000, estimate at 605,000
- China's Strategic Reserve Bureau reportedly offering 100,000 tonnes of copper
- WGC says Indian import duties add pressure to gold price.
- LME Copper stocks fell 3,375 tonnes this morning, totaling 261,975 tonnes.
- SPDR Gold Trust holdings were down 10.38 tonnes on Tuesday at 1109.81 tonnes.

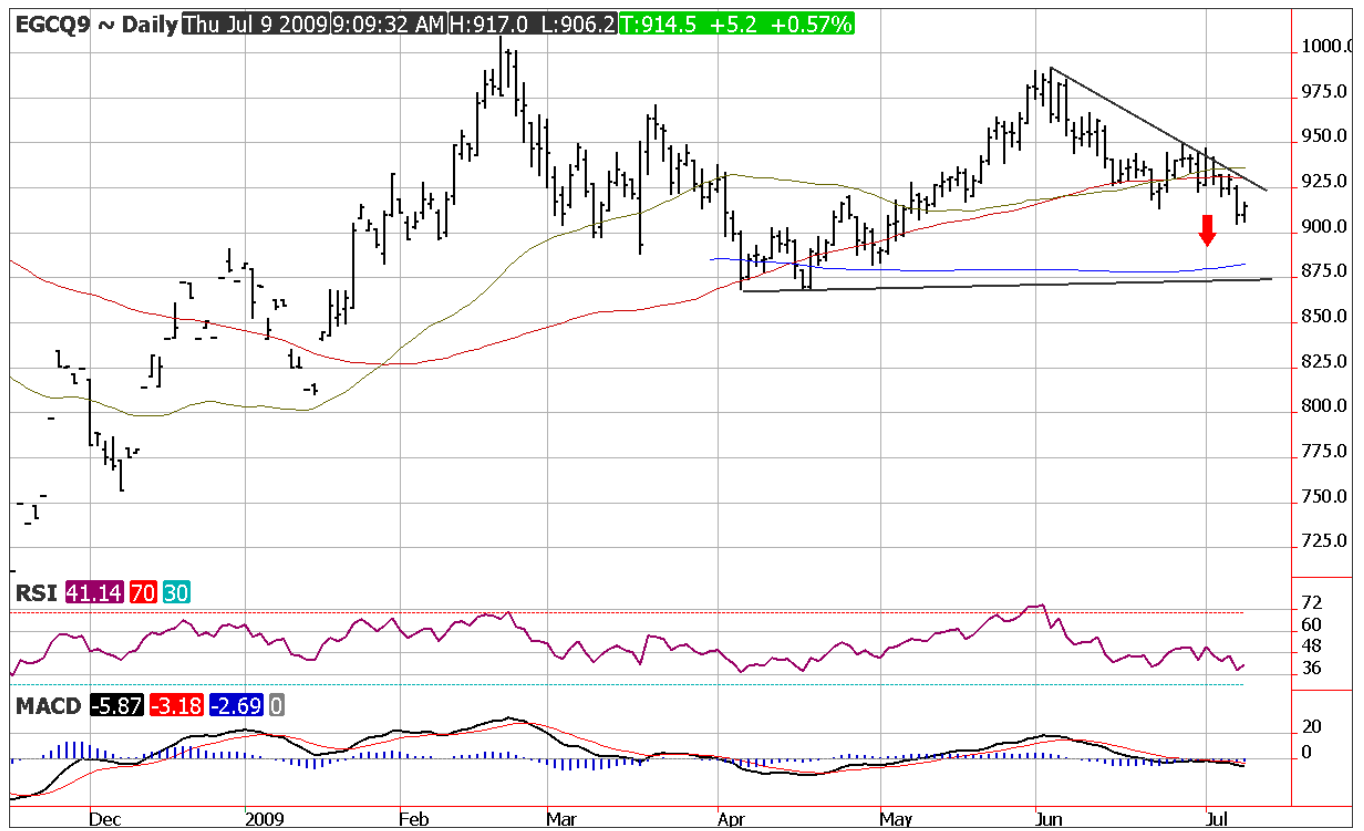
The World Gold Council spoke freely about the impact of India's increase in gold and silver import duties, stating the rise could bring added pressure to the gold market. The Indian import duty is currently 100 rupees per 10 grams of gold and is being raised to 200 rupees to help subsidize the massive Indian economic stimulus package. The silver import tax is also being doubled. Gold and silver are slightly higher this morning, supported by a weaker dollar and steady global equity markets. The dollar is very weak and gold is only up five or six dollars, this a bearishly sobering reaction, maybe a sale at 916.00, risking 923.00. Gold Field Mineral Services and the World Gold Council have basically warned investors that gold may soften in the near term, hello! SPDR Gold Trust holdings fell sharply on Wednesday, down 10.38 tonnes, now totaling 1109.81 tonnes.

August gold resistance is 920.00 -925.00 and support is now 900.00 – 875.00, key support was penetrated yesterday and this should accelerate prices to the downside.. The chart pattern for silver has confirmed a bad trade, which means a bearish outlook. Resistance for September silver is 13.25 – 13.45 while key support has been penetrated and should accelerate prices to the downside. New support for silver is 12.465 and the chart count for September silver is 11.00

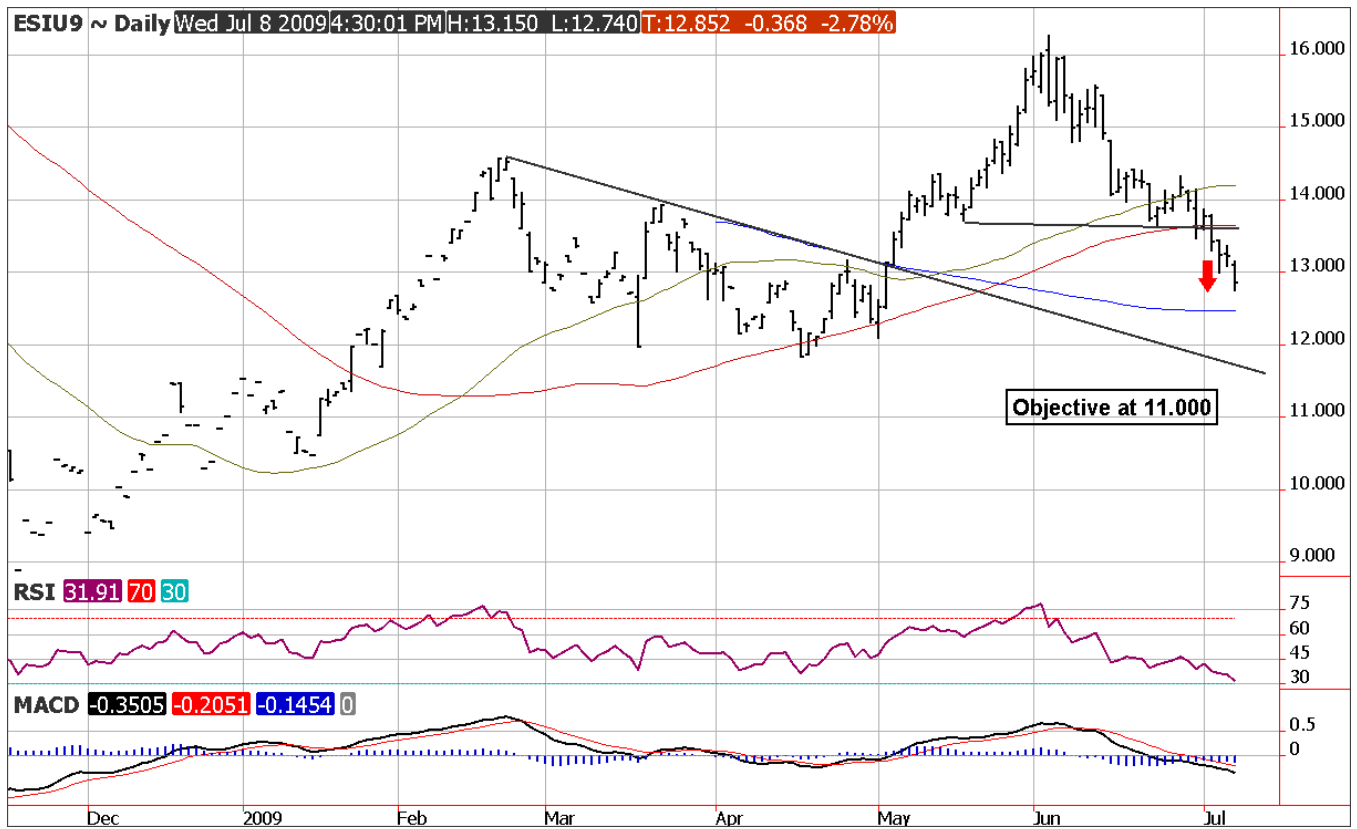
LME Copper stocks were down 3.375 tonnes this morning, total at 261,975 tonnes, supportive for copper this morning. A report out of Asia has China's Strategic Reserve Bureau reportedly offering up to 100.000 tonnes to the market. Be careful with the long side of copper, users should be conservative for a minute. Chinese research sources have June imports in the 300,000 tonne range vs. May's record 337,230 tonnes. Imports are expected to have fallen by 20,000 -40,000 tonnes. The chart pattern for copper is bullish and the longer term price target is at 261.25, however, copper is vulnerable to lower trade near term due to the pause/ halt in the global recovery. Copper can pull back toward the 200.00 -191.00 level on weak economic

data this month. Notice that with time the downside potential for HGU has diminished, raising our floor from 180.00 to 191.00.

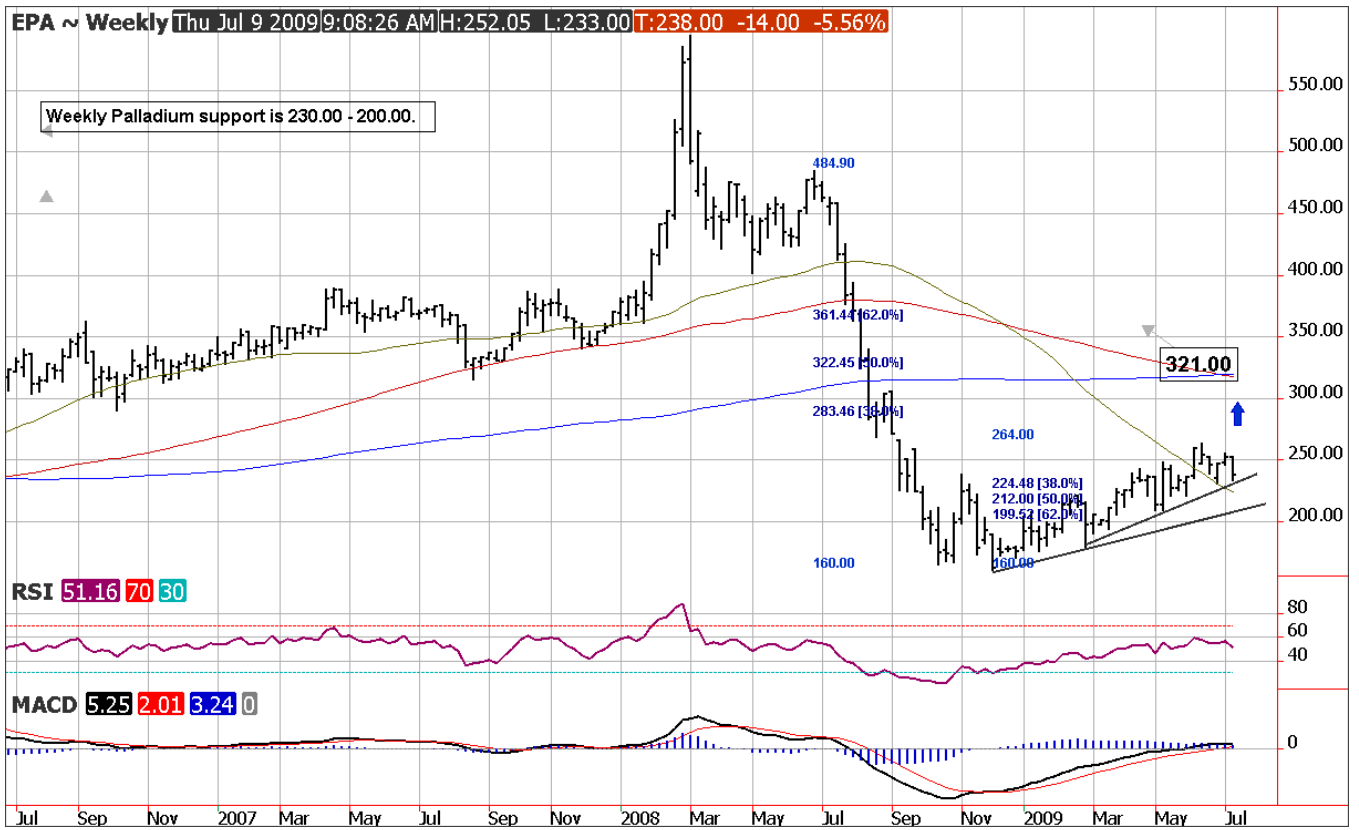
Daily August Gold



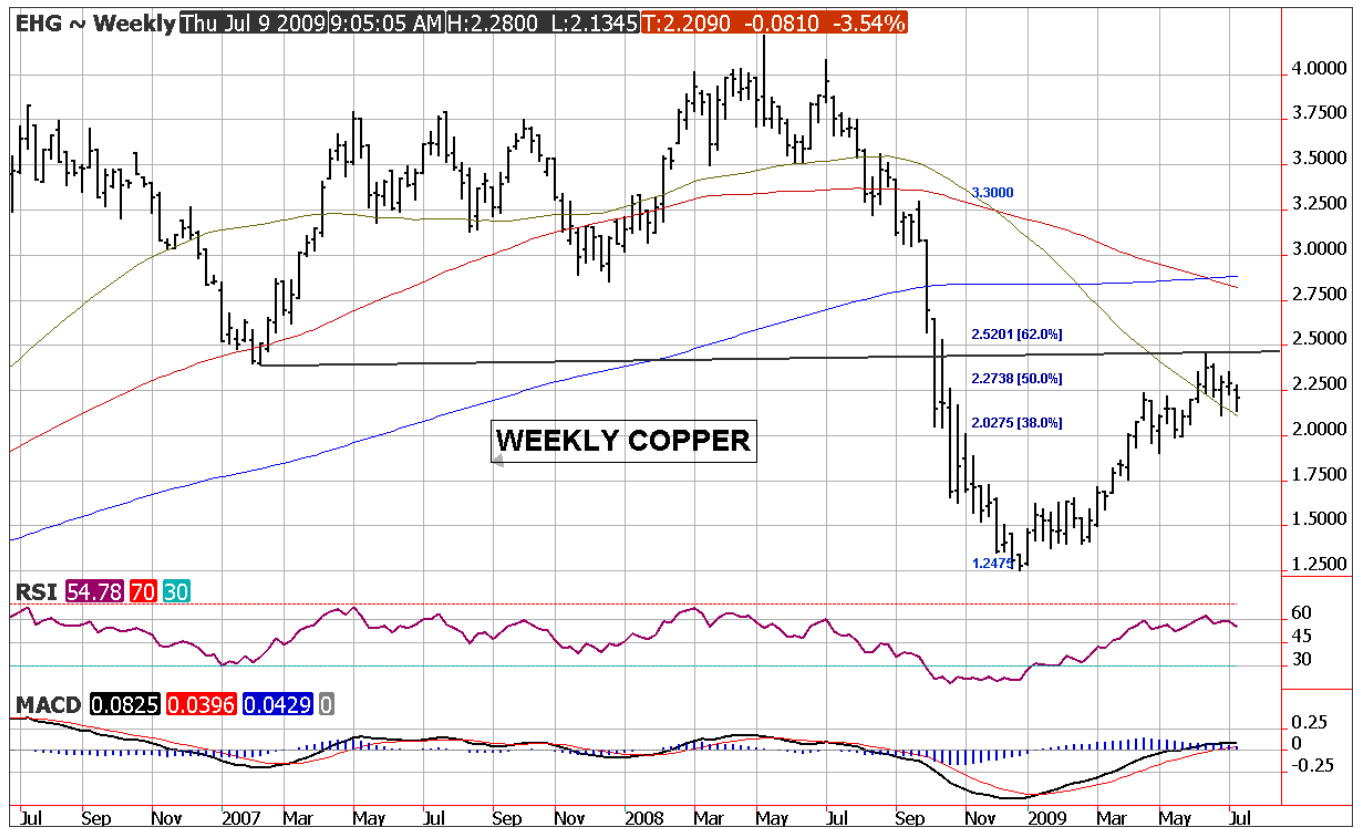
Daily September Silver



Weekly Palladium Chart



Weekly High Grade Copper Chart



Previous Day's Activity, Wednesday, July 8					
Futures	Settle	Net Chg	Pct	Vol	Open Int.
GCQ	909.30	-19.80	-2.10	131,006	212,364
GCZ	912.00	-19.70	-2.10	10,957	60,768
SIU	1285.20	-36.80	-0.20	23,560	57,564
HGU	215.90	-6.65	-3.00	20,388	72,249
PLV	1101.80	-34.00	-1.00	3,564	21,676
PAU	234.10	-6.40	-0.90	1,315	16,426

London	A.M.	Fixes
	\$US	Euro
Gold	\$914.75	€ 655.27
Silver	\$12.89	€9.234
Platinum	\$1,102.00	€ 797.30
Palladium	\$238.00	€ 170.50

Commitments of Traders - Futures and Options						
	Non-Commercial		Commercial		Non-Reportable	
	Position	Change	Position	Change	Position	Change
Gold	169,735	-1,221	-205,829	-4,355	36,094	5,576
Silver	27,442	-1,239	-44,289	1,178	16,847	62
Copper	-20,080	1,724	21,589	1,096	-1,509	-2,820
Platinum	9,985	67	-12,289	292	2,304	-359
Palladium	8,927	842	-10,519	-928	1,592	86

Comex Warehouse Stocks			LME Warehouse Stocks		
	Total Troy Oz.	Daily Net Chg.		Tonnes	Daily Net Chg.
Gold	8,893,375	-1,312	Aluminium	4,396,025	-1075
Silver	118,519,152	935,413	Nickel	109,626	252
Copper	59,795	0	Copper	261,975	-3,375
Platinum	2,777	257	Zinc	351,875	-75
Palladium	4,284	0			

World Official Gold Holdings (GFMS)		
Country/Organization		Gold (Tonnes)
United States		8133.5
Germany		3412.6
IMF		3217.3
France		2508.8
Italy		2451
SPDR Gold Trust		1109.8
China		1054
Switzerland		1040.1
Japan		765.2

Important Dates

DATE	TIME	COUNTRY	INDICATOR / EVENT
7/09/2009	7:30 am	US	Weekly Jobless Claims
7/09/2009	7:30 am	US	Wholesale Trade
7/10/2009	7:30 am	US	US Trade Balance
7/14/2009	7:30 am	US	Producer Price Index
	7:30 am	US	Retail Sales
	7:30 am	US	Business Inventories
7/15/2009	7:30 am	US	Consumer Price Index
	7:30 am	US	Real Earnings
	8:15 am	US	Industrial Production
	9:35 am	US	Weekly Energy Stocks
7/16/2009	7:30 am	US	Weekly Jobless Claims
7/17/2009	7:30 am	US	Housing Starts and Permits
7/28/2009	NA	US	Option Expiration for August Metals
7/29/2009	NA	US	Last Trading Day for July Metals
7/31/2009	NA	US	First Notice Day for August Metals

Regards, Tony Raia

Sr. VP

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