

# Daily | Gold and Silver Marketwatch Report

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**FRIDAY 02.03.06**

Market Commentary		Friday 2/3/06	
<b>Gold (London Spot)</b>		<b>Silver (London Spot)</b>	
Open	571.50/572.00	Open	982.00/984.00
High	573.60/574.10	High	985.00/987.00
Low	565.00/565.50	Low	967.00/969.00
Close	567.70/568.20	Close	973.00/975.00
		<b>Platinum (London Spot)</b>	
		Open	1075.00/1079.00
		High	1079.00/1083.00
		Low	1067.00/1071.00
		Close	1073.00/1077.00

**Currencies: (3 PM EST)**

Spot	JY/\$	119.00	Ldn Gold AM Fix	571.85	PM Fix	569.00
	RAND/\$	6.0750	Ldn Plat AM Fix	1080.00	PM Fix	1079.00
	SF/\$	1.2954	Ldn Silver Fix	981.00		
	\$/BP	1.7612	Handy Harman	973.00		
	CD/\$	1.1475	30 yr. Treas. Bond	4.63		
	AUD	0.7492	Crude ( )	65.40		
	EURO/\$	1.2015	CRB	345.80		

**Market Comment**

Gold started 571.50/572.00 in New York and held steady until the release of the January US non-farm payrolls figure (+193k vs. expectations of +240k). Funds came in and bought after the figures were released causing gold to run up to the session high of 573.60/574.10. However, the market sentiment soon did an about face as aggressive selling came into the market from dealers catching a number of traders positioned long. Gold went into a free fall, as there was only light scale down physical buying in the market. On the day a low price of 565.00/565.50 was posted before bargain hunters appeared. Their buying managed to take gold briefly back to 570.00 before settling 567.70/568.20. The Comex open interest gained 2,779 contracts to a new total of 345,623.

Silver opened 982.00/984.00 and managed to reach the session high of 985.00/987.00 early on. At this point selling appeared from a number of sources and soon the metal was trading below 980.00. Funds also came into the market on the sell side; however, there were not many bids to be found. On the day silver dipped as low as 967.00/969.00 before recovering modestly at the close to 973.00/975.00. The Comex open interest fell by 1,170 contracts to a new total of 129,036.

**Technical Commentary**

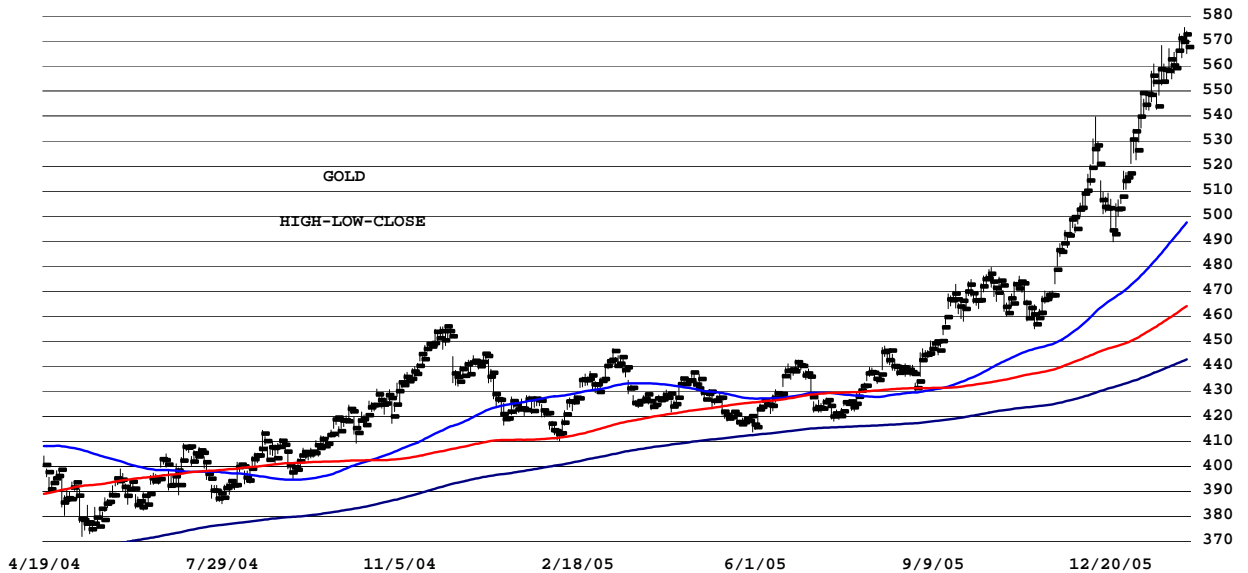
**Gold-** Gold was extremely volatile trading as high at 573.60 bid and as low as 565.50 offer. We expect the wide trading ranges to continue over the coming sessions. Expect further resistance from today's high to 575.00. At the moment it is becoming less likely that 575.00 resistance will be broken. Near term support should begin scale down from 563.50 to 558.00, however, a break below could see the market to at least 550.00 with potential for 542.50.

**Silver** – Silver could only muster up a high of 985.00 and soon came under significant pressure. It will take something special for the market to conquer the formidable resistance at the 990.00 level. We expect support down to the 960.00; however, a break below should see the market touch 950.00 with potential to fill the recently formed gap from 932.00 to 922.00.



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**Expected Trading Range - February 6, 2006 - Monday**

	Gold	Silver	Plat
MEAN	568.9	976.0	1074.6
BUY	563.8	965.5	1067.2
SELL	572.8	984.5	1082.2
HBOP	581.8	1003.5	1097.2
LBOP	554.8	946.5	1052.2
REL ST	65.3	64.9	68.0

**Moving Averages**

	Gold	Silver	Plat
4 DAY	570.3	980.9	1076.4
7 DAY	566.7	973.5	1071.2
9 DAY	565.3	964.5	1067.2
14 DAY	561.2	940.0	1055.8
18 DAY	558.6	931.6	1048.0
30 DAY	542.9	912.3	1018.8
60 DAY	518.5	869.5	998.2
100 DAY	497.6	822.0	969.9
200 DAY	464.1	765.6	926.3
400 DAY	442.8	727.5	888.7

G/S RATIO 58.3  
G/P DIFF \$507.1

