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Market Commentary

Gold opened at 863.75/864.75 in New York. The USD rallied as it was supported by the change in tone by the Fed and further encouraged by US fundamental data that did not disappoint. Accordingly gold slipped to support near 854.00. Funds later sold the metal responding to tumbling oil prices, it ultimately hit a low of 847.00/848.00. During the latter end of the session gold traded lightly within a narrow range, closing at 848.75/849.75.

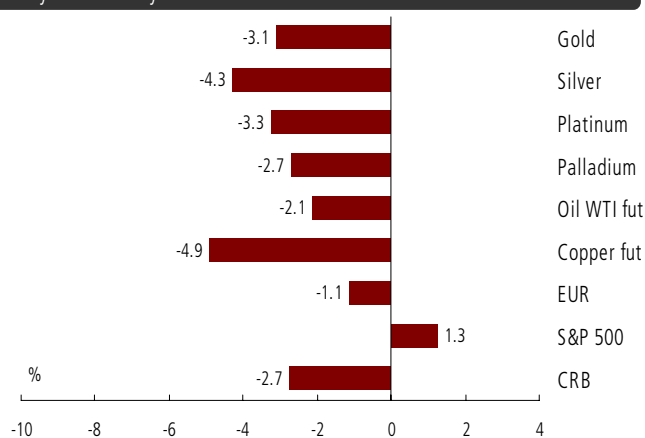
Silver opened at 1663.00/1667.00 and slumped early on as funds sold reacting to a stronger USD and falling copper prices. Support was established around 1620.00, however this level was not sustained as the metal continued to slip following oil, reaching a low of 1598.00/1602.00. It recovered marginally from the lows as good bids entered the market, closing at 1613.00/1617.00.

Technical Commentary

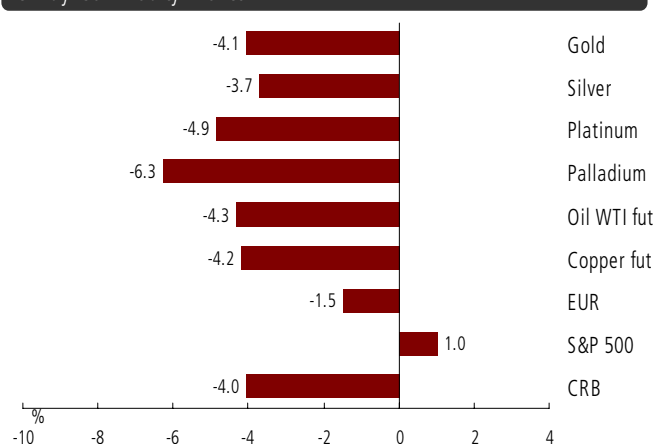
Gold opened at the high and closed virtually at the low, which only adds to the near-term bearish signals. Much of Europe was on holiday, which left the market slightly less liquid; however it is difficult not to see that near-term signals point to a test of the 50% retracement of the June 2007 to March 2008 run, which comes in at 836.10. Gold is now trading comfortably between the 100 and 200 day moving average (906.75 and 823.02, respectively). Near-term support lies at the 836.10 Fibonacci level; while resistance comes in first at historical congestion of 883.50. Gold is entering the Asian session trading well below the 15hr moving average, which hints at further near-term downside; however tomorrow's nonfarm payrolls provide a key risk.

Silver - Silver has broken through support and its chart looks increasingly bearish. On the intraday chart, silver is trading well below the 15hr moving average, which implies further near-term downside as we move into the Asian session. On a longer term basis, the metal closed below the 50% retracement of the July to March run (16.21), which is bearish; it is trading well below the 100 day moving average (17.13) and its MACD and trend have all turned bearish. Support lies at today's low of 15.98/16.02, while resistance comes in at 16.34 (previous support from the April 1 low, see page 2).

1-Day Commodity Moves



5-Day Commodity Moves



5/1/08 14:07 - Time above charts last updated - Source: Bloomberg

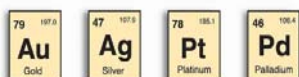
Gold, Silver, Platinum & Palladium

	Gold	Silver	Platinum	Palladium
Open	863.75/864.75	16.63/16.67	1,945	418.25
High	863.75/864.75	16.65/16.69	1,945	423.00
Low	847.00/848.00	15.98/16.02	1,855	400.25
Close / Last Mid*	848.75/849.75	16.13/16.17	1,865	410.00
London Fix AM	863.50	16.640	1,917	418.00
London Fix PM	853.00	-	1,886	406.00
Handy Harman (Base)	856.00	16.160	1,886	406.00
Gold / Silver Ratio	51.3	NA	NA	NA
Open Interest	Gold OI	One day ch	Silver OI	One day ch
COMEX	431,914	2,244	123,841	(2,663)
CBOT	<u>12,292</u>	<u>(159)</u>	<u>3,111</u>	<u>(457)</u>
Total	444,206	2,085	126,952	(3,120)

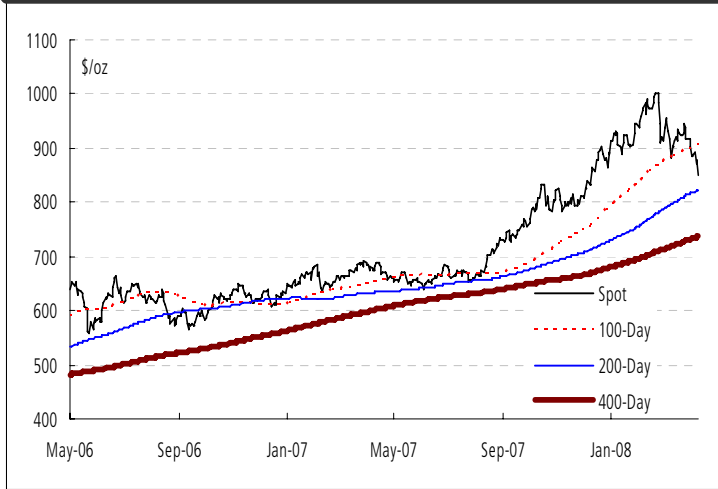
Technical Levels, etc.

	Gold	Silver	Platinum	Palladium
Pivot	860.03	16.397	1,888	412.67
Primary Support (Buy)	838.11	15.763	1,831	397.08
Primary Resistance (Sell)	872.11	16.793	1,921	425.08
HBOP	906.11	17.823	2,010	453.08
LBOP	804.11	14.733	1,741	369.08
Bollinger Band Upper	957.76	18.691	2,084	475.83
Bollinger Band Mid	909.53	17.495	1,991	446.50
Bollinger Band Lower	861.29	16.299	1,899	417.17
Relative Strength 14 Day	30	36	34	29

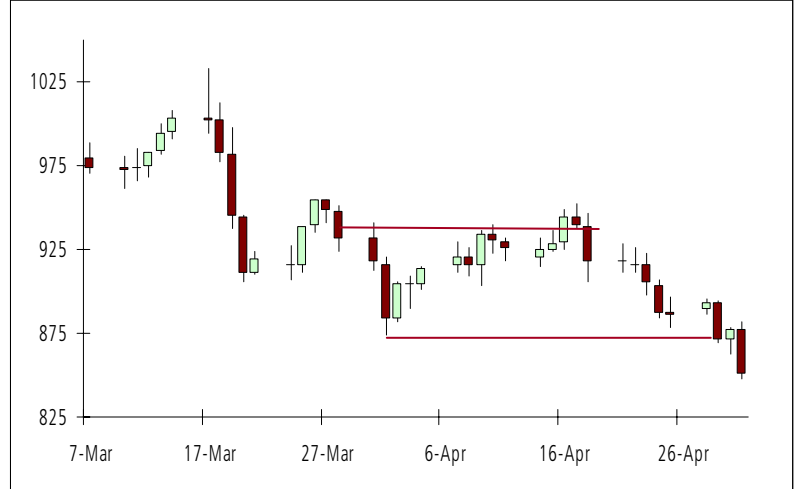
Close/last mid refers to the spot closing floor price in gold and silver, and spot's last mid price as provided by Bloomberg in platinum & palladium spot
 All other data provided by Bloomberg. Actual market levels may have differed.



Gold: 2-Year Close with Moving Averages



Gold: 2-Month Candlesticks



Silver: 2-Year Close with Moving Averages



Silver: 2-Month Candlesticks



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

Moving Averages

	Gold	Silver	Platinum	Palladium
5 Day MA	875.55	16.690	1,929	425.65
10 Day MA	891.79	17.040	1,969	437.57
20 Day MA	909.53	17.490	1,991	446.50
30 Day MA	913.45	17.520	1,982	444.82
60 Day MA	933.14	18.170	2,027	469.82
100 Day MA	906.73	17.130	1,853	432.08
200 Day MA	823.01	15.300	1,609	392.22

FX Majors

CAD	1.0196
EUR	1.5450
GBP	1.9723
CHF	1.0493
AUD	0.9318
ZAR	7.6182
JYP	104.33
as of: 5/1/2008 14:07	

Markets

CRB	397.91
DJAIG	203.66
Crude (fut)	111.10
S&P 500	1,403.79
US 10 Yr	3.76
US 30 Yr	4.50
CDN 10 Yr	3.58
as of: 5/1/2008 14:07	

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