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Market Commentary

Gold opened at 876.00/877.00 in New York and slipped to a low of 871.50/872.50 early on as funds sold. The surge in oil prices above \$122/barrel helped push gold to resistance around 881.00. Further fund buying caused gold to climb to a high of 883.00/884.00. Profit taking during the end of the session drove it down to finally close at 876.50/877.50.

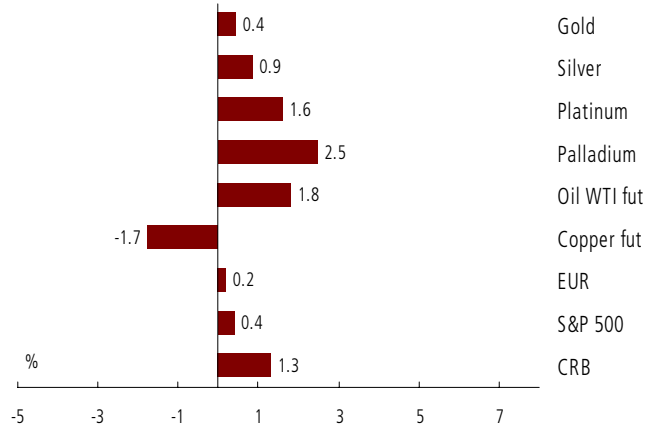
Silver opened at 1667.00/1671.00. The metal lost ground during the early morning, however this was short lived as dealers bought, responding to rallying oil and a weaker USD. The buying continued during the mid-morning pushing silver to a high 1698.00/1702.00. It traded lightly until the tail-end of the day when it ticked lower as funds sold long positions. Silver closed at 1677.00/1681.00.

Technical Commentary

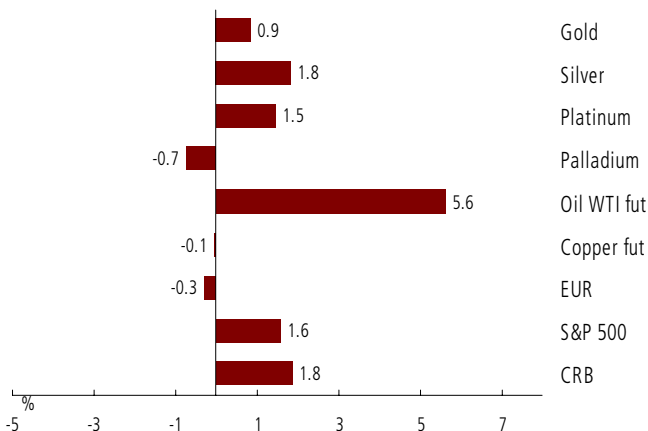
Gold - Today's chart remains encouraging for bulls as spot broke above last Thursday's open (881.94 - see chart on page 2), however it didn't manage to close above, which leaves the outlook still somewhat clouded. It is easy to argue both sides of the near-term outlook. May 2nd looks to be a bottoming formation; today's break above 881.94 is positive; the 50% retracement (836.10) of the June to March run has held well; and it is encouraging to see upward momentum in the price. However, the 4 and 9-day trading moving averages have yet to make a cross above the 18-day (865.21, 874.95 and 899.42, respectively); the near-term trend is still downwards; and though price action has turned more bullish it has yet to create any significant buy signals. The metal seems quite comfortable trading between the 100 and 200-day moving average (908.93 & 826.11, respectively). Accordingly, though the outlook is obviously clouded, we think technicals are biased for further downside.

Silver's outlook has improved as well, however much like gold the outlook remains somewhat clouded. Support lies at the 9-day moving average of 16.70; while resistance comes in at the 100-day moving average of 17.21.

1-Day Commodity Moves



5-Day Commodity Moves



5/6/08 14:57 - Time above charts last updated - Source: Bloomberg

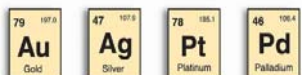
Gold, Silver, Platinum & Palladium

	Gold	Silver	Platinum	Palladium
Open	876.00/877.00	16.67/16.71	1,924	420.25
High	883.00/884.00	16.98/17.02	1,961	432.50
Low	871.50/872.50	16.64/16.68	1,917	420.00
Close / Last Mid*	876.50/877.50	16.77/16.81	1,955	431.50
London Fix AM	878.00	16.700	1,930	426.00
London Fix PM	880.00	-	1,940	425.00
Handy Harman (Base)	880.00	16.955	1,940	425.00
Gold / Silver Ratio	52.7	NA	NA	NA
Open Interest	Gold OI	One day ch	Silver OI	One day ch
COMEX	432,303	3,669	120,623	(314)
CBOT	<u>11,454</u>	<u>(326)</u>	<u>2,965</u>	<u>(47)</u>
Total	443,757	3,343	123,588	(361)

Technical Levels, etc.

	Gold	Silver	Platinum	Palladium
Pivot	872.43	16.757	1,937	425.67
Primary Support (Buy)	861.71	16.508	1,914	418.83
Primary Resistance (Sell)	889.87	17.128	1,980	436.83
HBOP	918.02	17.748	2,047	454.83
LBOP	833.56	15.888	1,847	400.83
Bollinger Band Upper	957.96	18.603	2,076	476.50
Bollinger Band Mid	902.65	17.322	1,977	442.63
Bollinger Band Lower	847.35	16.042	1,878	408.75
Relative Strength 14 Day	42	45	48	44

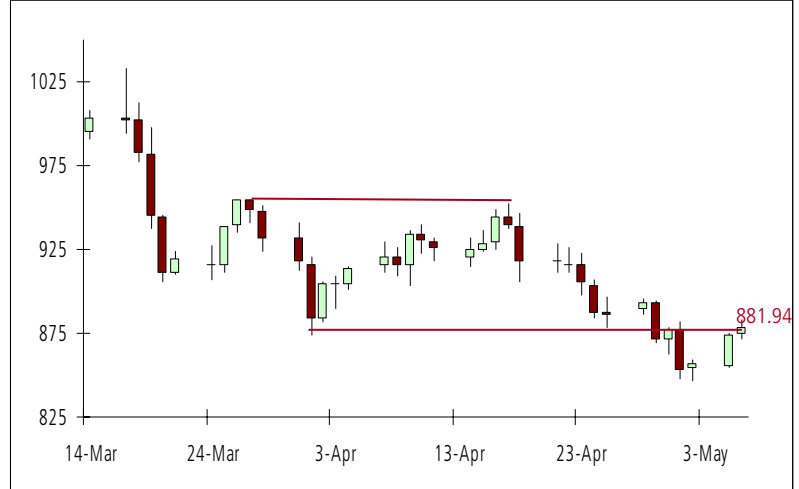
Close/last mid refers to the spot closing floor price in gold and silver, and spot's last mid price as provided by Bloomberg in platinum & palladium spot
 All other data provided by Bloomberg. Actual market levels may have differed.



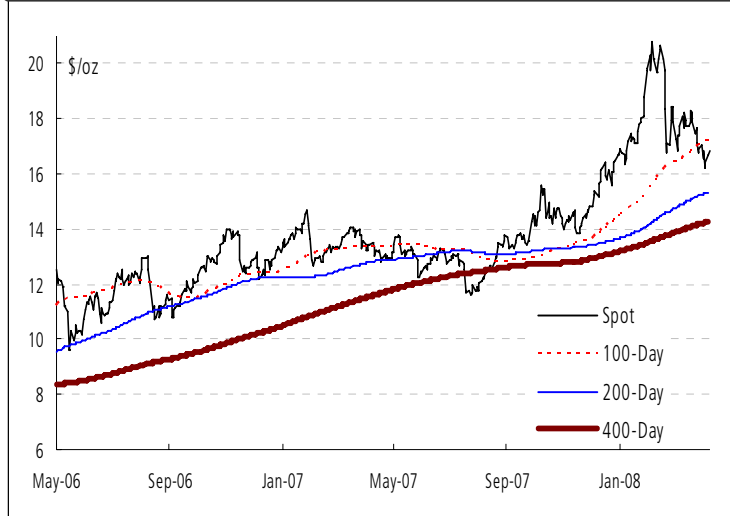
Gold: 2-Year Close with Moving Averages



Gold: 2-Month Candlesticks



Silver: 2-Year Close with Moving Averages



Silver: 2-Month Candlesticks



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

Moving Averages

	Gold	Silver	Platinum	Palladium
5 Day MA	867.78	16.610	1,915	420.00
10 Day MA	877.93	16.740	1,938	427.88
20 Day MA	902.65	17.320	1,977	442.63
30 Day MA	908.03	17.450	1,984	443.27
60 Day MA	930.78	18.140	2,027	469.20
100 Day MA	908.94	17.210	1,867	434.21
200 Day MA	826.11	15.360	1,619	393.10

FX Majors

CAD	1.0028
EUR	1.5534
GBP	1.9743
CHF	1.0490
AUD	0.9496
ZAR	7.5280
JYP	104.59
as of: 5/6/2008 14:38	

Markets

CRB	419.22
DJAIG	212.65
Crude (fut)	121.89
S&P 500	1,415.27
US 10 Yr	3.86
US 30 Yr	4.61
CDN 10 Yr	3.66
as of: 5/6/2008 14:38	

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