

Market Commentary

Gold opened 1058.00/1059.00 in New York. Jobless claims indicate further deterioration of US employment market causing equities to retreat and gold followed. Support was established near 1052.00 and it made back ground until more selling entered the market as we approached the London fix. Gold slipped to a low of 1051.00/1052.00 before good fund buying carried it higher. It peaked at 1061.00/1062.00 and later pulled back on light profit taking, finding support near 1053.00. It traded quietly as the session unwound, finally settling at 1057.00/1058.00.

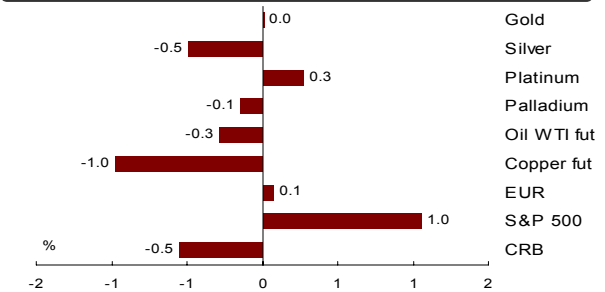
Silver opened at 1753.00/1756.00 and ticked lower as equity markets weakened and copper lost ground, reaching a low of 1734.00/1737.00. However fund buying helped the metal take back lost ground. The metal stayed well bid and managed to climb to an intraday high of 1764.00/1767.00 before retreating as investors took profit. It traded lightly within a range during the latter end of the session, finally closing at 1751.00/1754.00.

Technical Commentary

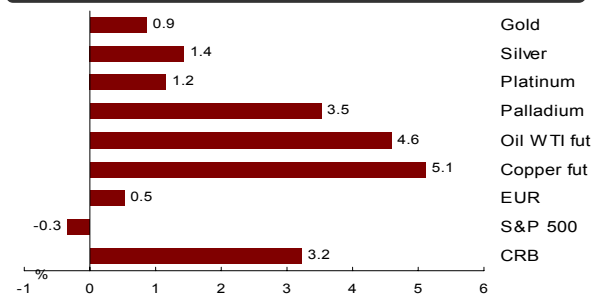
Gold is closing marginally up today at current 1060. The Yo-Yo consolidation is becoming smaller and smaller within the two week 1044-1070 range. Micro analysis shows as a triangular price behavior suggesting a break out is pending. Typically these formations are continuation in nature so risk is a break of 1070 that should yield a \$26 move or 1096. Our stop loss on long Gold positions is triggered on a close below 1043.

Silver is down marginally on the day at current 17.60. Key levels remain recent range 17.22 and 18.09. No major price formations but it's interesting that the unit keeps closing above 17.45 despite six daily moves below the level. The Gold Silver ratio is up today at 60.21. The ratio is hugging a very narrow range between 59.79 and 60.39. Bearish trendline is seen at 60.97.

1-Day Commodity Moves

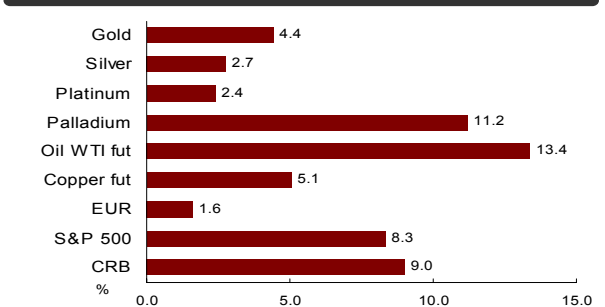


5-Day Commodity Moves



10/22/09 15:47 - Time above charts last updated - Source: Bloomberg

1 Month Commodity Moves



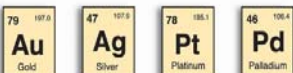
Gold, Silver, Platinum & Palladium

	Gold	Silver	Platinum	Palladium
Open	1058.00/1059.00	17.53/17.56	1,360	338
High	1061.00/1062.00	17.64/17.67	1,373	340
Low	1051.00/1062.00	17.34/17.37	1,354	332
Close / Last Mid*	1057.00/1058.00	17.51/17.54	1,367	337
London Fix AM	1,054.75	17.550	1,356	335.00
London Fix PM	1,053.00	NA	1,358	335.00
Handy Harman (Base)	1,053.00	17.570	1,358	335.00
Gold / Silver Ratio	60.0	NA	NA	NA
Open Interest	Gold OI		Silver OI	
COMEX	379,199		104,594	
CBOT	<u>4,149</u>		<u>1,615</u>	
Total	383,348		106,209	

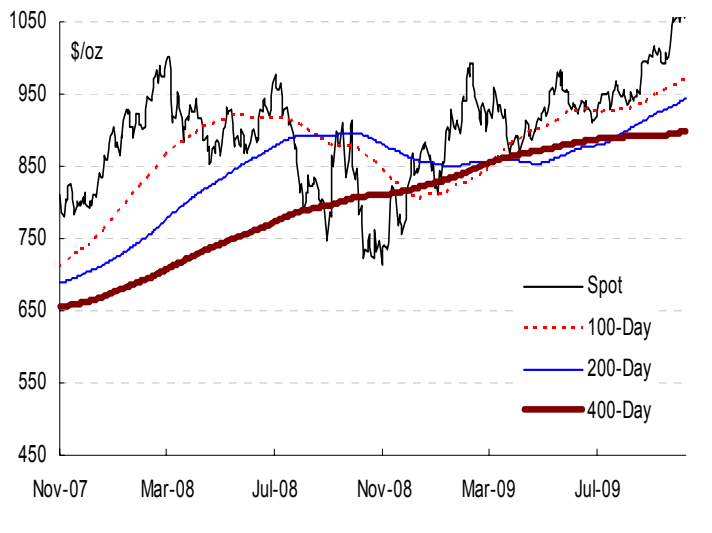
Technical Levels, etc.

	Gold	Silver	Platinum	Palladium
Pivot	1,058.52	17.569	1,361	337.00
Primary Support (Buy)	1,051.94	17.326	1,350	333.00
Primary Resistance (Sell)	1,065.28	17.808	1,378	341.00
HBOP	1,078.63	18.291	1,406	349.00
LBOP	1,038.59	16.843	1,321	325.00
Bollinger Band Upper	1,090.42	18.488	1,392	350.46
Bollinger Band Mid	1,035.87	17.171	1,325	315.01
Bollinger Band Lower	981.31	15.853	1,257	279.57
Relative Strength 14 Day	65	59	64	75

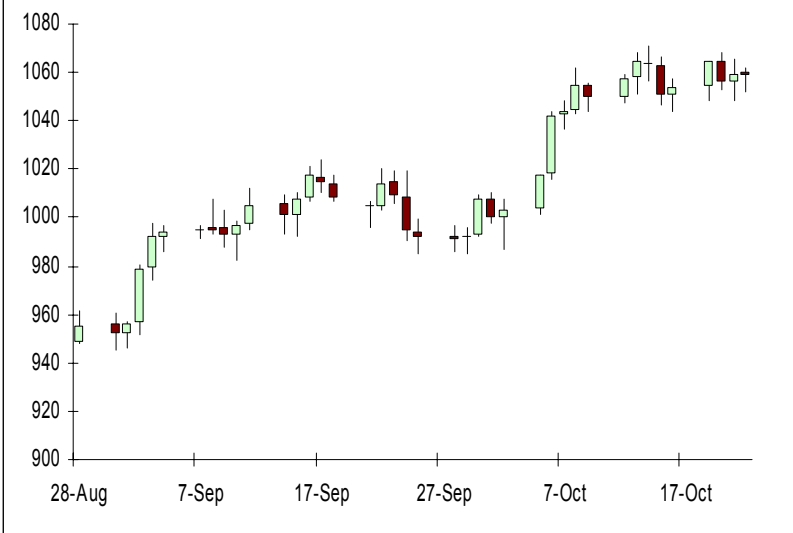
Close/last mid refers to the spot closing floor price in gold and silver, and spot's last mid price as provided by Bloomberg in platinum & palladium spot
All other data provided by Bloomberg. Actual market levels may have differed.



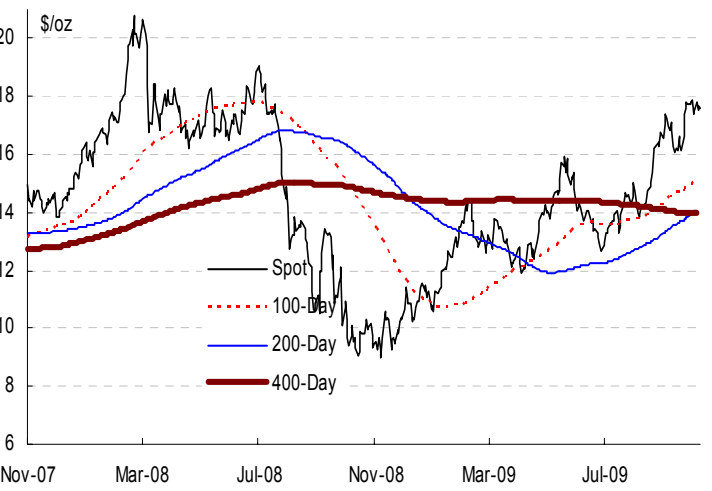
Gold: 2-Year Close with Moving Averages



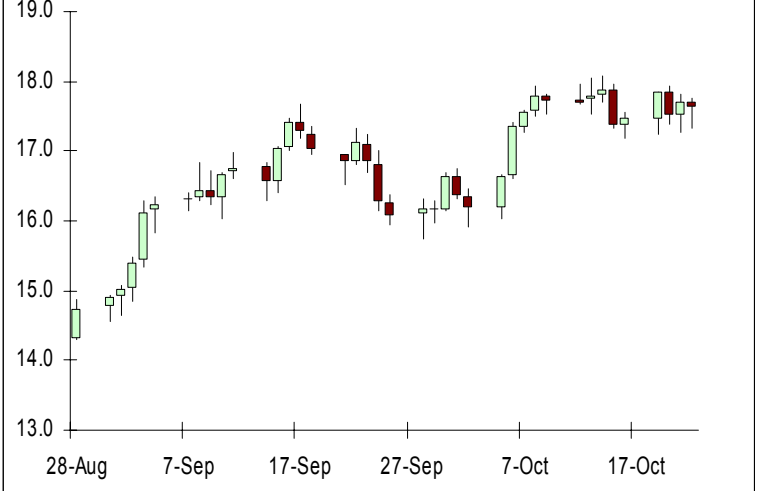
Gold: 2-Month Candlesticks



Silver: 2-Year Close with Moving Averages



Silver: 2-Month Candlesticks



Moving Averages

	Gold	Silver	Platinum	Palladium
5 Day MA	1,058.24	17.619	1,356	334.75
10 Day MA	1,057.45	17.653	1,353	330.65
20 Day MA	1,035.87	17.171	1,325	315.01
30 Day MA	1,026.31	17.082	1,325	309.07
60 Day MA	993.14	15.956	1,287	295.12
100 Day MA	970.43	15.106	1,247	276.40
200 Day MA	944.90	14.168	1,172	246.04
400 Day MA	891.05	14.207	-	-

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

FX Majors

CAD	1.0480
EUR	1.5027
GBP	1.6622
CHF	1.0048
AUD	0.9273
ZAR	7.3945
JPY	91.3100
as of:	10/22/2009 15:47

Markets

CRB	282.54
DJAIG	137.94
Crude (fut)	81.10
S&P 500	1,092.51
US 10 Yr	3.41
US 30 Yr	4.23
CDN 10 Yr	3.45
as of:	10/22/2009 15:47

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