

Global Research

Gold & Silver Marketwatch

Daily Update

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Market Commentary

Spanish downgrades, slowing global growth and poor company earnings had investors search out quality and safety overnight with the dollar higher and gold opening lower at 1707.75/1708.75. Holding its own up to the fix, the metal reached its daily high of 1713.25/1714.25 before succumbing to tumbling equities. Gold reached its intraday low of 1704.25/1705.25 midmorning before crawling its way back to close the day almost unchanged at 1708/1709.

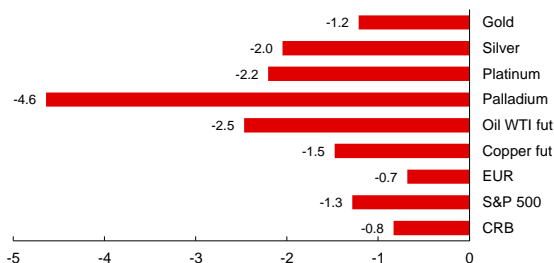
With all commodities in decline overnight, silver opened lower at 31.80/31.85. The metal traded within a tight range for the day, reaching its intraday high of 31.96/32.01 before sliding to its intraday low of 31.70/31.75. As with gold, silver closed almost unchanged at 31.75/31.80 as investors look forward to the upcoming FOMC rate decision.

Technical Commentary

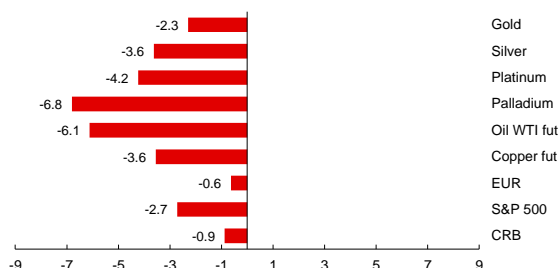
Gold closed sharply lower today at 1709, making progress towards a 1671 target from a head and shoulders top. The neckline at 1725 has provided some resistance. We remain bearish so long as gold continues to trade below 1754.

Silver also closed sharply lower at 31.75 and remains very weak technically. We are bearish so long as silver trades below 33.40. The next targets are 30.75, the 50% retracement of the June to October uptrend, followed by the lows from end of August around 30.20. The gold-silver ratio is trading higher at 53.77; we remain bullish looking for a retest of the 54.60 area. A breach of this level would open up 57.64, the August 20th high.

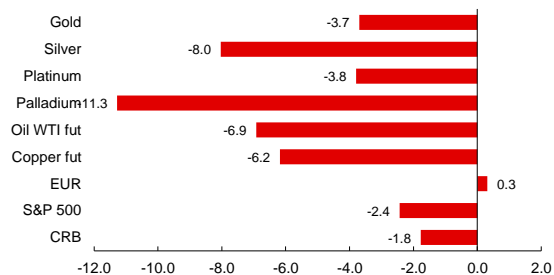
1-Day Commodity Moves (%)



5-Day Commodity Moves (%)



1 Month Commodity Moves (%)



10/23/12 14:28 (last updated) Source: Bloomberg

Notable Ranges & Technical Levels

	Gold	Silver	Platinum	Palladium
Open	1707.75/1708.75	31.80/31.85	1,609.00	623.50
High	1713.25/1714.25	31.96/32.01	1,613.00	627.00
Low	1704.25/1705.25	31.70/31.75	1,571.88	592.20
Close / Last Mid*	1708.00/1709.00	31.75/31.80	1,573.75	596.00
London Fix AM	1,717.00	31.71	1,588.00	613.00
London Fix PM	1,711.00	NA	1,577.00	601.00
Handy Harman (Base)	1,711.00	31.860	1,577.00	601.00
Gold / Silver Ratio	53.96	NA	NA	NA
Open Interest	Gold OI		Silver OI	
COMEX	460,250		140,831	
CBOT	774		512	
Total	461,024		141,343	

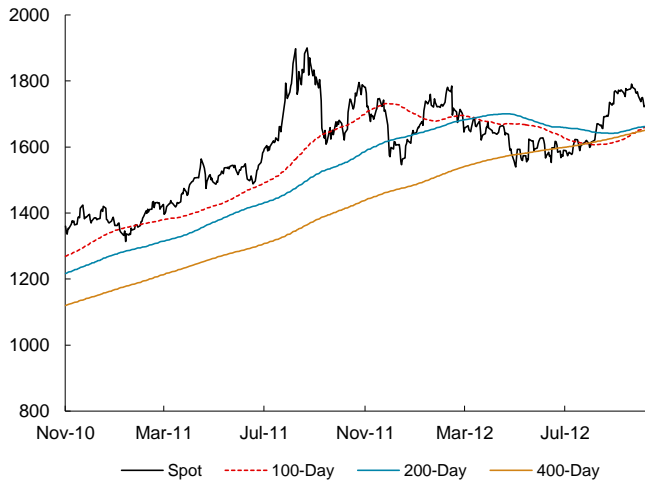
Technical Levels

	Gold	Silver	Platinum	Palladium
Pivot	1,714.82	31.948	1,591	606.58
Primary Support (Buy)	1,697.48	31.418	1,555	581.62
Primary Resistance (Sell)	1,724.90	32.267	1,609	620.97
HBOP	1,752.32	33.116	1,663	660.32
LBOP	1,670.06	30.570	1,501	542.27
Bollinger Band Upper	1,800.79	35.567	1,728	675.84
Bollinger Band Mid	1,757.95	33.693	1,660	642.91
Bollinger Band Lower	1,715.10	31.820	1,592	609.99
Relative Strength 9 Day	28	28	26	25
Relative Strength 14 Day	36	36	36	32

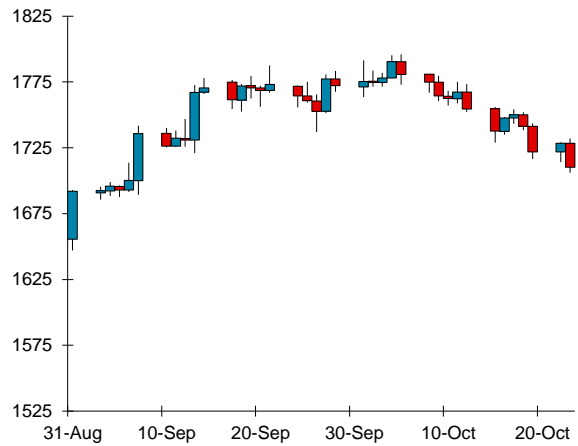
Close/last mid refers to the spot closing floor price in gold and silver, and spot's last mid price as provided by Bloomberg in platinum & palladium spot. All other data provided by Bloomberg. Actual market levels may differ.



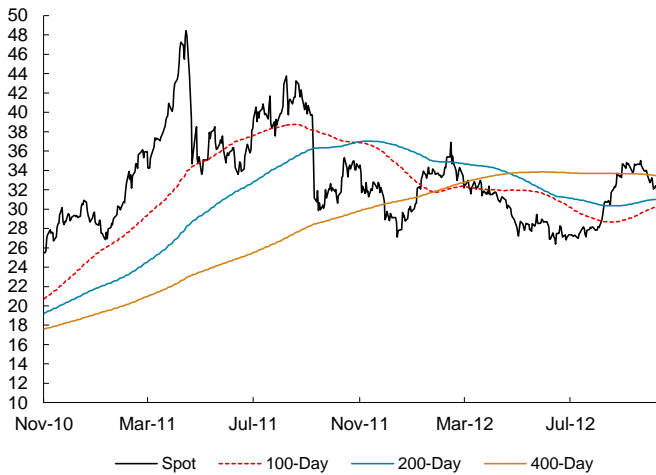
Gold: 2-Year Close with Moving Averages (\$/oz)



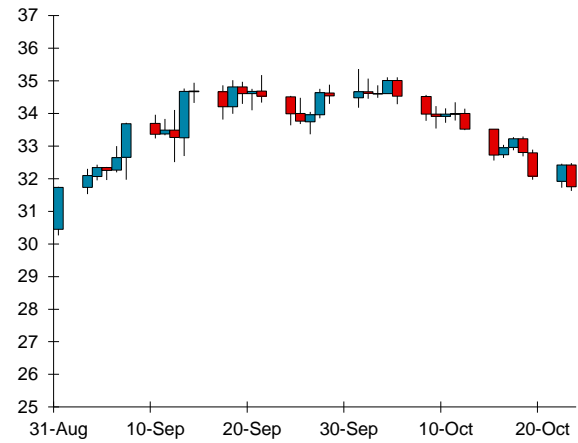
Gold: 2-Month Candlesticks (\$/oz)



Silver: 2-Year Close with Moving Averages (\$/oz)



Silver: 2-Month Candlesticks (\$/oz)



Source: Bloomberg (may differ from market spot prices)

Moving Averages

	Gold	Silver	Platinum	Palladium
5 Day MA	1,729.84	32.455	1,622	628.70
10 Day MA	1,741.86	32.943	1,639	635.20
20 Day MA	1,757.95	33.693	1,660	642.91
30 Day MA	1,759.93	33.901	1,656	651.99
60 Day MA	1,704.49	31.887	1,572	633.93
100 Day MA	1,660.82	30.216	1,518	618.28
200 Day MA	1,662.65	31.008	1,552	641.94
400 Day MA	1,651.33	33.443	-	-

FX Majors

CAD	0.9932
EUR	1.2972
GBP	1.5937
CHF	0.9334
AUD	1.0251
ZAR	8.7653
JPY	79.8900
as of:	10/23/2012 14:28

Markets

CRB	303.51
DJAIG	144.17
Crude (fut)	86.72
S&P 500	1413.05
US 10 Yr	1.76
US 30 Yr	2.91
CDN 10 Yr	1.85
as of:	10/23/2012 14:28

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