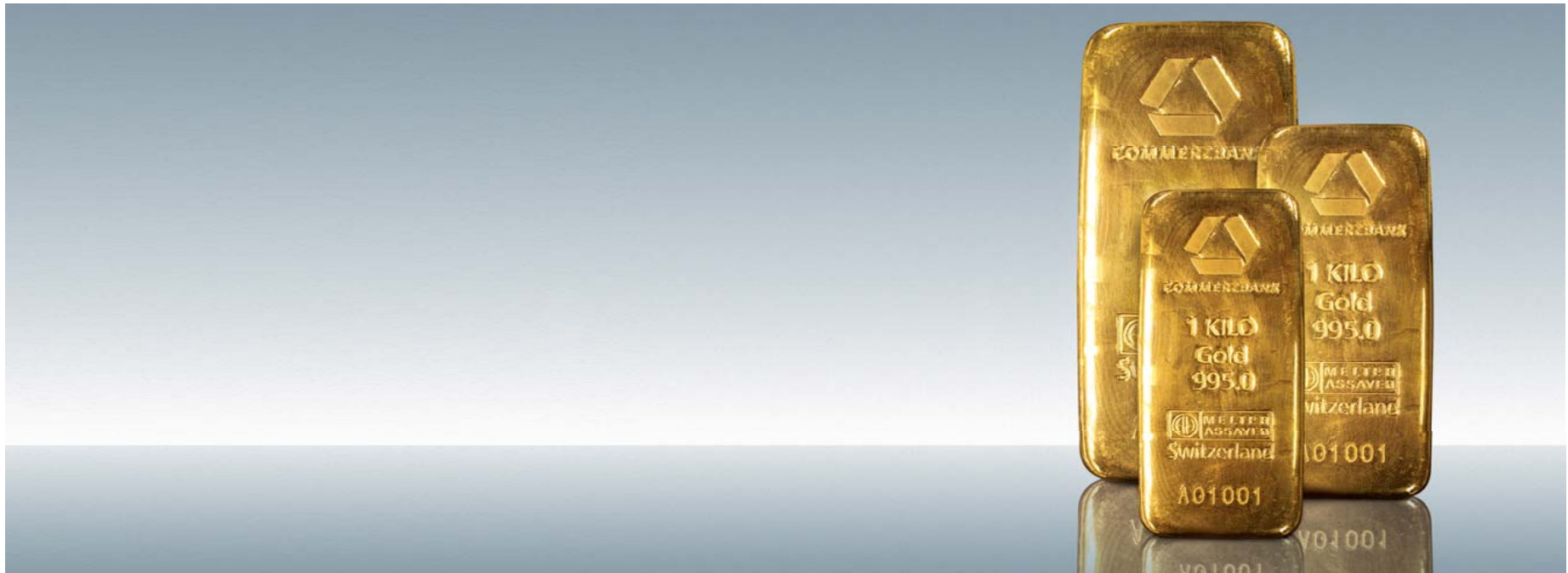


Bullion Weekly Technicals

Tuesday, 17 December 2013

Technical Outlook

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For important disclosure information please see the end of the document.

Technical Outlook

Precious metals remain short term sidelined above their recent interim lows

Market	Short term view (1-3 weeks)
Gold:	We expect to see further short term range trading and thus keep our neutral forecast.
Silver:	We will keep our short term neutral outlook while 18.88 underpins and 23.12 caps.
Gold/Silver Ratio:	Is likely to slip back to the 61.33/03 support zone.
Palladium:	Strong bounce off the November/December lows at 710.15/709.63 has neutralised our view.
Platinum:	Is to be sidelined while the December low at 1335.49 underpins on a daily closing basis.

Gold, Silver, Palladium and Platinum

Precious metals stay short term sidelined into year end

GOLD SPOT \$/OZ (GOLDS Comdty)

[update](#)

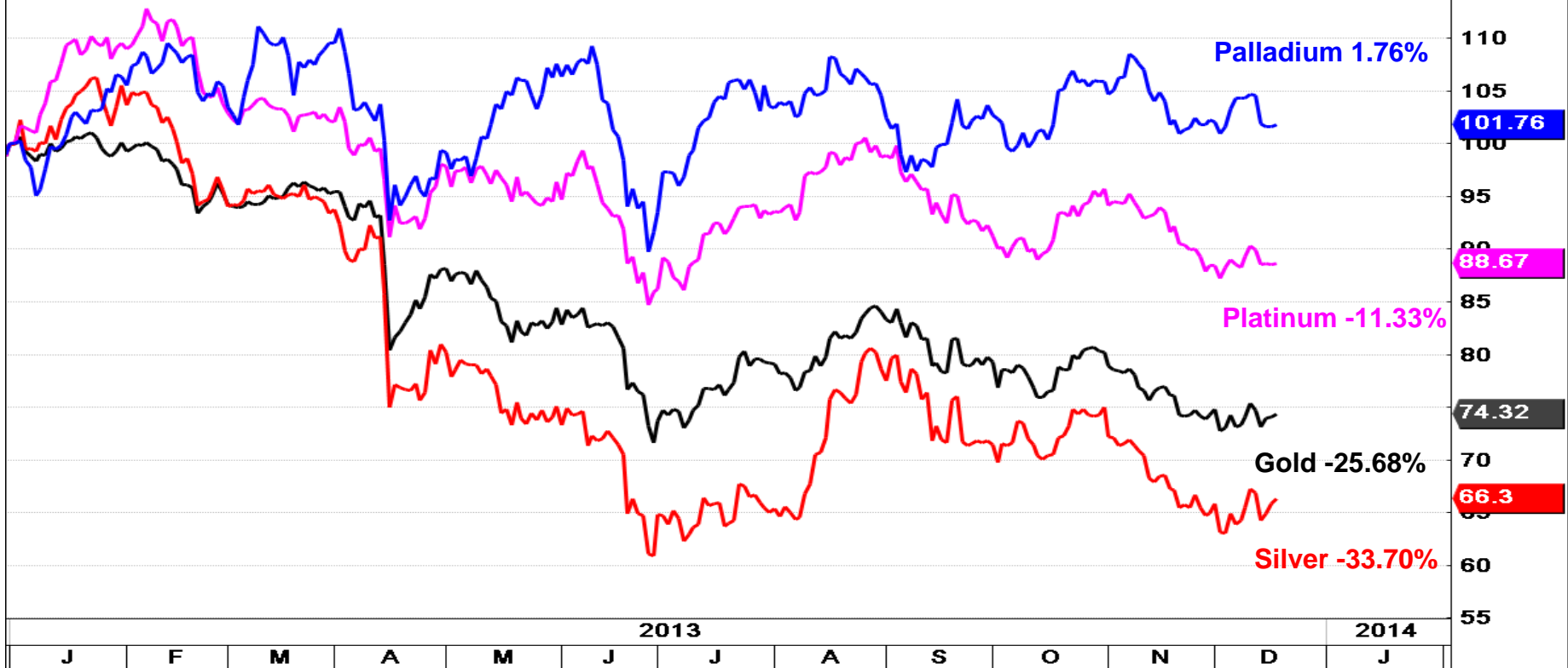
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Update Professional : Data by Bloomberg

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2013 performance to date



Gold - Daily Chart

We expect to see further short term range trading and thus keep our neutral forecast

- › Gold remains sidelined and did bounce as expected last week before giving back most of last week's gains.
- › We will retain our short term neutral view while it remains above the current December low at 1211.57 on a daily chart closing basis.
- › While this remains the case the 55 day moving average at 1283.79 and the 2013 downtrend line at 1301.70 may well be reached but should then cap.
- › A currently unexpected drop through 1211.57 would make us bearish again and target the 1208.08/1180.04 June/July lows and also the July 2010 low at 1156.55.
- › These medium term targets are likely to be reached in the first quarter of 2014 and we will have them in mind while the gold price stays below its October high at 1362.23.

Gold Daily Chart



Support	Resistance	1-Week View	1-Month View
1220.4/1211.57	1252.5/1268.3	➔	➔
1180.1&1156.5	1283.8&1301.7		

Gold - Weekly Chart

Continues to hover above the 2008-13 support line at 1215.55

Gold Weekly Chart



Silver - Daily Chart

We will keep our short term neutral outlook while 18.88 underpins and 23.12 caps

- › Silver bounced off its current December low at 18.88 as expected and hit the 20.52 level last week before retesting but holding above its December lows.
- › While 18.88 underpins on a daily chart closing basis, upside targets such as the October lows at 20.49/60 and potentially also the area seen between the 55 day moving average and the 2013 resistance line at 21.06/51 remain in play. In the latter area the current consolidation is likely to end, though, with the longer term downtrend likely to resume during the first quarter of 2014.
- › A, for now, not expected drop through the current December trough at 18.88 would open the way up for the June and July lows at 18.69 and 18.19 to be reached. Below these sit the 78.6% Fibonacci retracement of the 2008-11 uptrend at 17.28 and the May 2010 low at 17.06. At least some of these levels are expected to be reached in the first few months of 2014.

Silver Daily Chart



Support	Resistance	1-Week View	1-Month View
19.28/18.88	20.49/60	➔	➔
18.69&18.19	21.06/51		

Silver - Weekly Chart

Remains above the 2008-13 support line at 18.96

Silver Weekly Chart



Gold/Silver Ratio - Daily Chart

Is likely to slip back to the 61.33/03 support zone

- › The gold/silver ratio's recent short term bounce off its current December low at 61.64 failed around the breached support line which, because of inverse polarity, acted as resistance.
- › We still expect the index to reach the September peak at 61.33 and probably also the 200- and 55-day moving averages at 61.07/03.
- › Minor resistance can be seen at last week's 62.86 high and in the 63.00 region with more significant resistance at 63.54/98 not expected to be retested anytime soon.
- › Were it to unexpectedly be bettered, the 64.91/65.18 resistance zone would be back in play. It is where the early July high, mid-July low and the 78.06% Fibonacci retracement meet. This area we do not expect to be touched.

Gold/Silver Ratio Daily Chart



Support	Resistance	1-Week View	1-Month View
61.64&61.33	62.86	➔	➔
61.07/03&60.60	63.54/98		

Palladium - Daily Chart

Strong bounce off the November/December lows at 710.15/709.63 has neutralised our view

- › Palladium bounced off its November low at 709.63 as expected and rallied to 743.38 last week before swiftly coming off again and retesting the November and December lows.
- › Provided that these continue to hold on a daily chart closing basis, we will continue to target the October high at 754.51. Perhaps the 2013 resistance line at 761.54 could also be revisited.
- › Only a, for now not expected, drop through and daily close below the 709.63 November low would reinstate our bearish forecast and lead to the 702.99 October 15 low and the 50% retracement of the June-to-August advance at 699.12 to be back in the picture.
- › Major resistance above 761.54 is seen between the 764.88 November and the 772.11 June peaks.
- › We expect palladium to be sidelined into year end.

Palladium Daily Chart

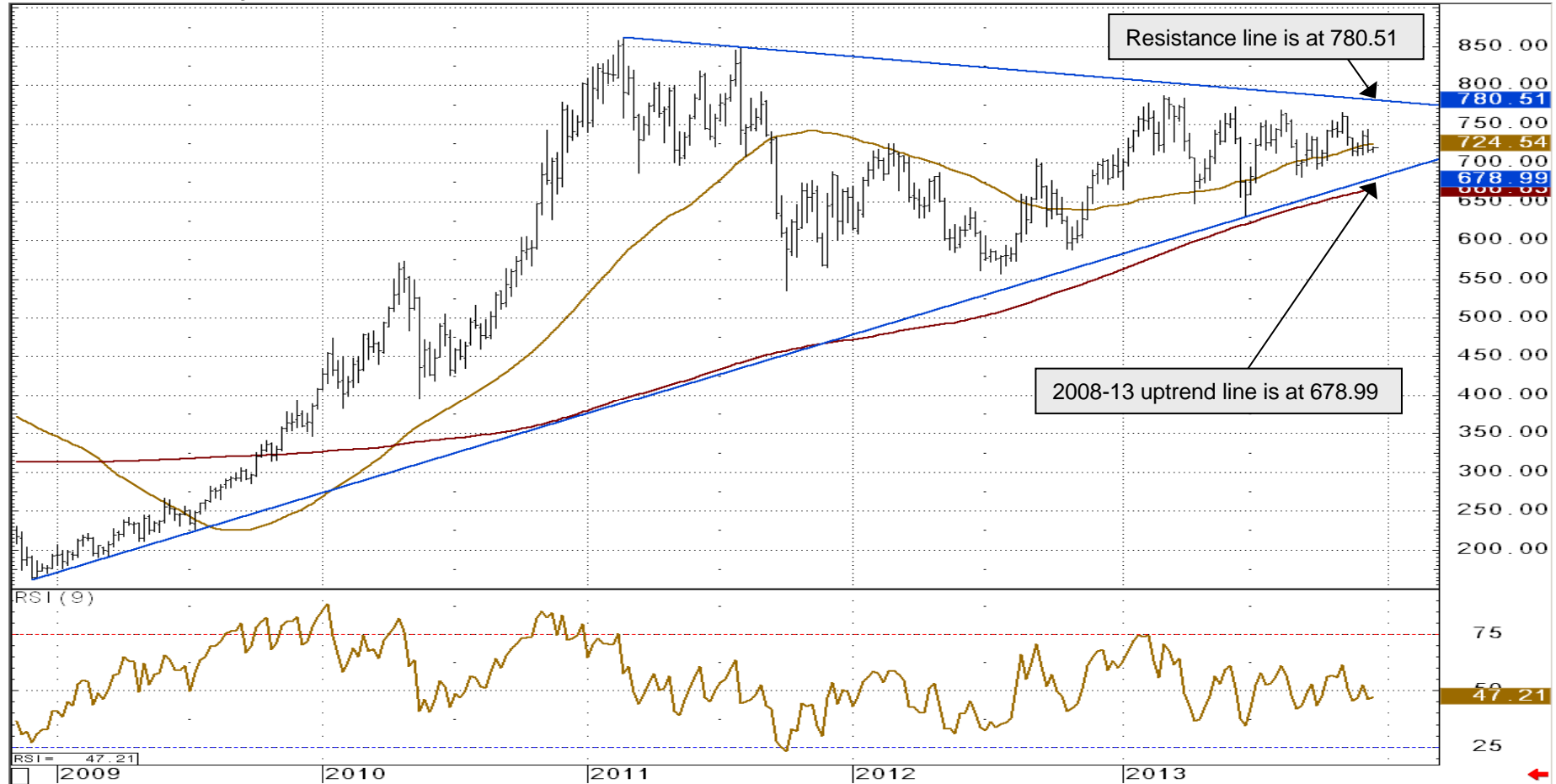


Support	Resistance	1-Week View	1-Month View
713.50/709.63	724.79/729.37	➔	➔
699.12/692.30	743.38&761.54		

Palladium - Weekly Chart

Continues to oscillate around the 55 week moving average at 724.54

Palladium Weekly Chart



Platinum - Daily Chart

Is to be sidelined while the December low at 1335.49 underpins on a daily closing basis

- › Platinum's rally last week took it to 1404.65 before it dropped back to the 1350 zone this week.
- › We still believe that the 55 day moving average at 1411.14 and the 38.2% Fibonacci retracement of the August-to-December decline at 1421.63 could be reached while platinum remains above the current December low at 1335.49 on a daily chart closing basis.
- › The next higher 50% retracement, 200 day moving average and 2013 resistance line at 1448.24/1457.81 should cap, if reached at all.
- › Only a currently unexpected drop through the 1335.49 low would make us bearish again and mean that the June and July lows at 1305.20 and 1288.63 were back in the picture.
- › These levels we expect to be hit during the first quarter of 2014 as long as the precious metal remains below the October high at 1486.26.

Platinum Daily Chart

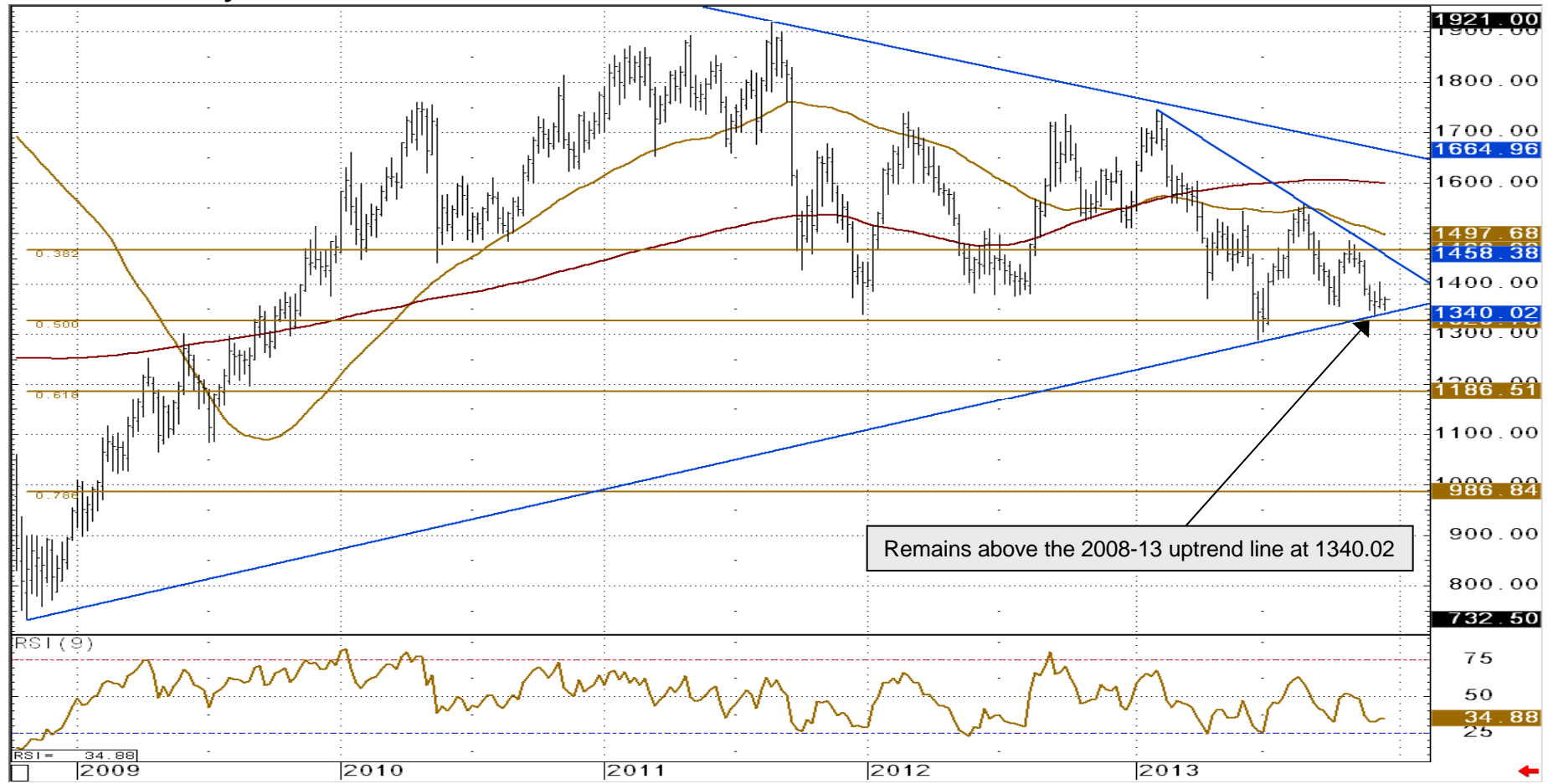


Support	Resistance	1-Week View	1-Month View
1347.55/1335.5	1404.6/1411.1	➔	➔
1305.2/1288.63	1448.2/1457.8		

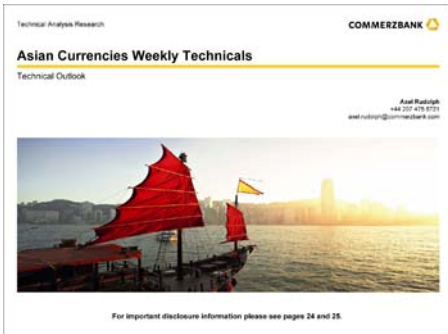
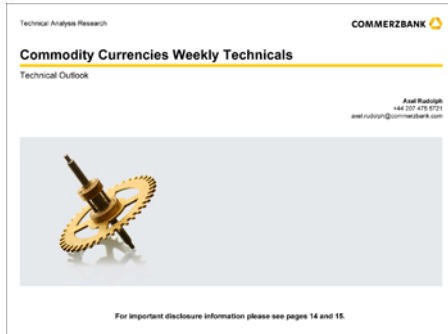
Platinum - Weekly Chart

Retested but held above the 2008-13 uptrend line at 1340.02

Platinum Weekly Chart



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