

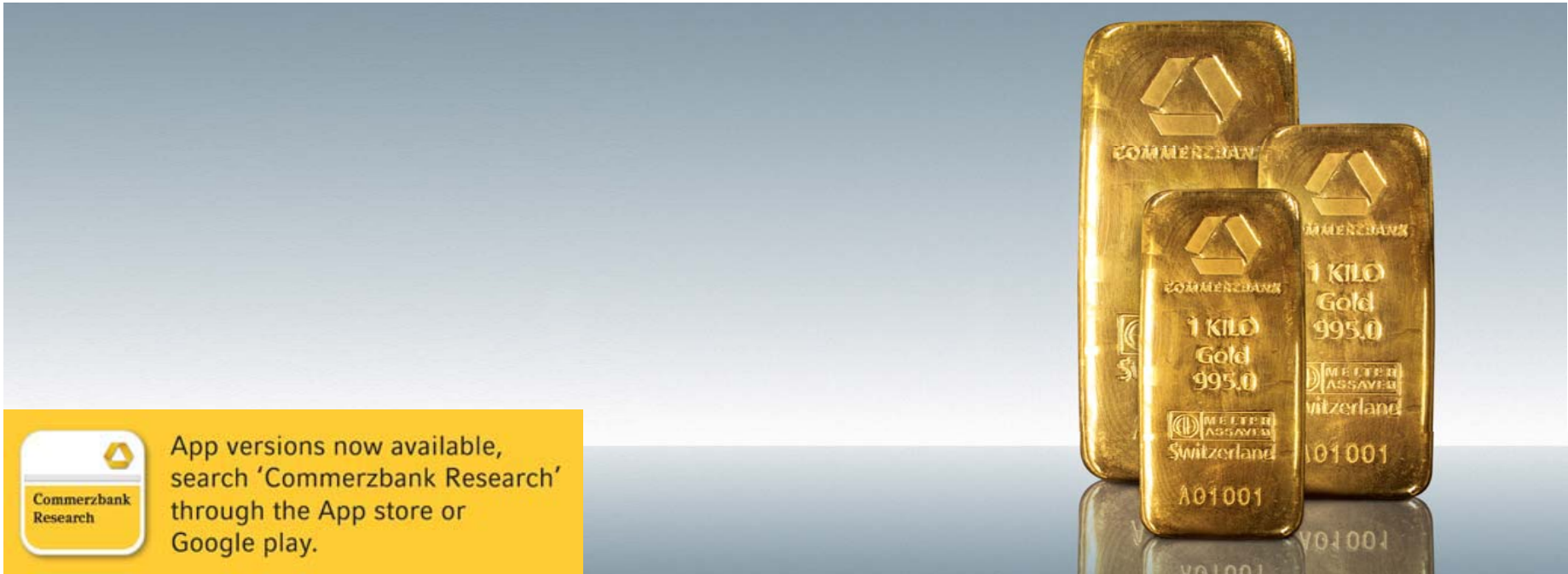
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Bullion Weekly Technicals

Tuesday, 10 December 2013

Technical Outlook

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Technical Outlook

Precious metals have made interim lows and look to be bottoming out in the short term

Market	Short term view (1-3 weeks)
Gold:	Stabilisation is ongoing and positive divergence points to a bounce, neutralising our forecast.
Silver:	Positive divergence points to at least an interim bottom being formed; neutralising our outlook.
Gold/Silver Ratio:	Failure around the 61.8% Fibonacci retracement at 63.54 made us neutralise our forecast.
Palladium:	Strong bounce off the November/December lows at 710.15/709.63 has neutralised our view.
Platinum:	Formed an interim low at 1335.49 and targets the 55 day moving average at 1414.68.

Gold, Silver, Palladium and Platinum

Precious metals seem to be stabilising

GOLD SPOT \$/OZ (GOLDS Comdty)

[update](#)

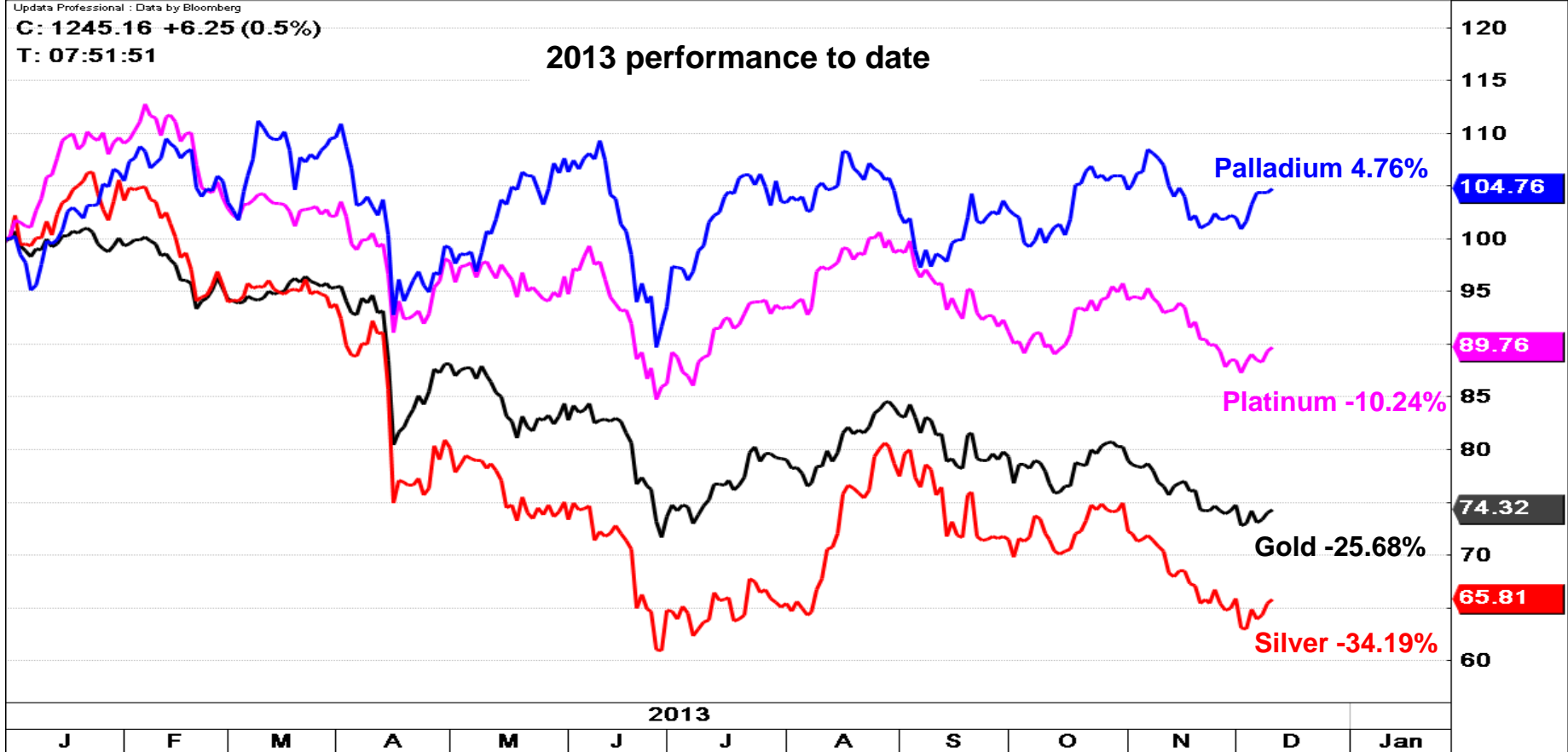
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Update Professional : Data by Bloomberg

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2013 performance to date



Gold - Daily Chart

Stabilisation is ongoing and positive divergence points to a bounce, neutralising our forecast

- › Even though the gold price has not yet taken out the 1257.27 late November high we have decided to neutralise our medium term forecast for the following three reasons:
- › 1) no follow through to the downside has been seen and instead gold has broken out of its one month downtrend channel;
- › 2) the current December low at 1211.57 has been retested late last week and not only held but was followed by a short term reversal to the upside;
- › 3) we can see triple positive divergence on the daily RSI.
- › All three reasons point to at least an interim bottom being formed. This will be confirmed by a daily chart close above the 1257.27 late November high.
- › An upside target is the area seen between the 55 day moving average at 1290.95 and the 2013 downtrend line at 1310.26 which is expected to cap again.
- › A, for now, 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.

Gold Daily Chart



Support	Resistance	1-Week View	1-Month View
1227.6&1208.1	1252.0/1257.3	➔	➔
1180.1&1156.5	1272.6/1278.6		

Gold - Weekly Chart

Bounces off the redrawn 2008-13 support line at 1213.56

Gold Weekly Chart



Silver - Daily Chart

Positive divergence points to at least an interim bottom being formed; neutralising our outlook

- › Silver’s drop to the 18.88 level last week was followed by a break out of its six week downtrend channel and accompanied by positive divergence on the daily RSI.
- › Both point to an interim low being formed at 18.88 and the silver price bottoming out. This will be confirmed by a rise and daily close above the November 25 high at 20.37.
- › In anticipation of the last few days’ move higher continuing we have neutralised our medium term bearish forecast.
- › Upside targets are 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 21.21/75.
- › A, for now, no longer 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.

Silver Daily Chart

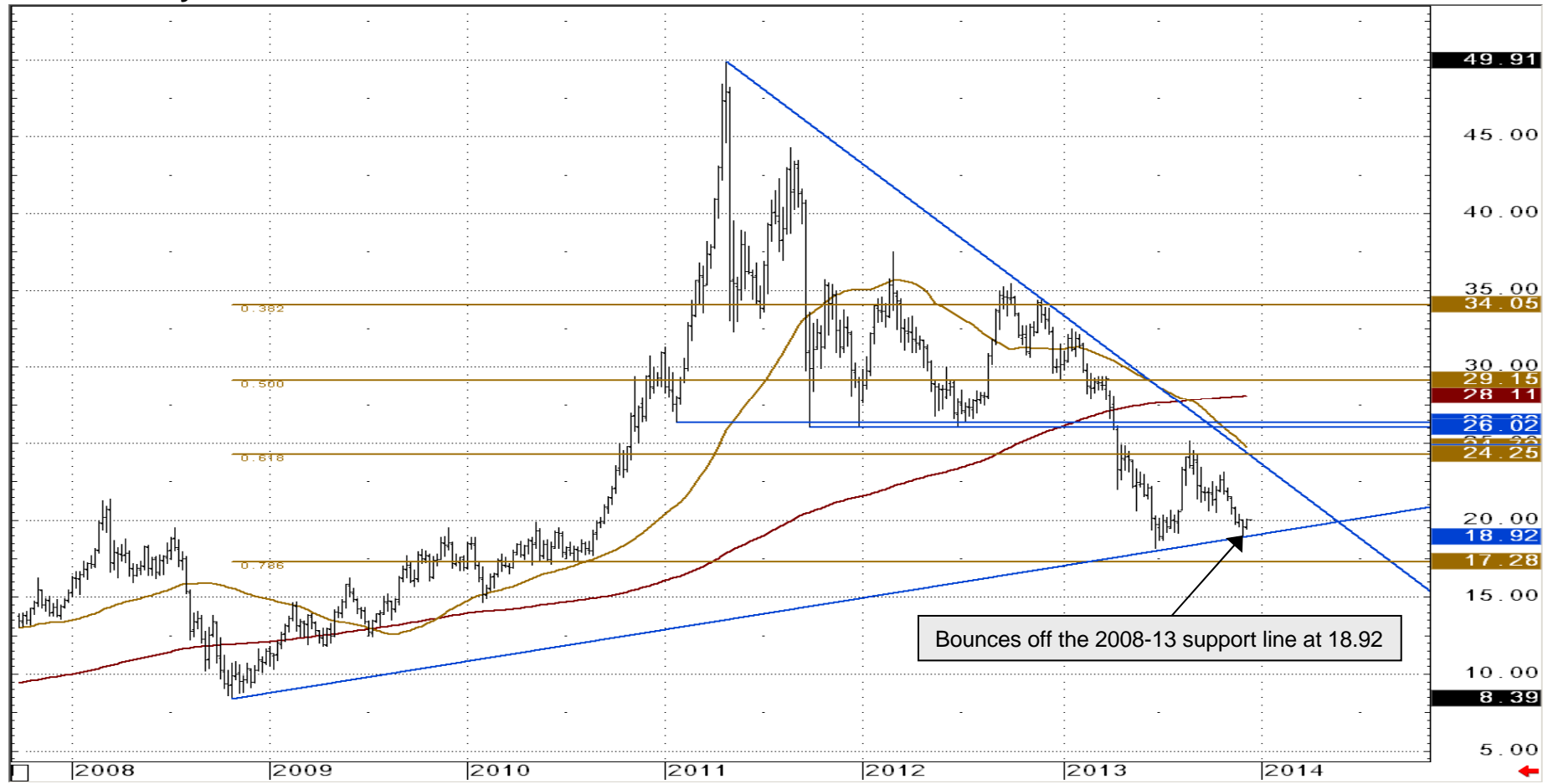


Support	Resistance	1-Week View	1-Month View
19.57&19.18	20.14&20.37	➔	➔
18.88&18.69	20.49/60		

Silver - Weekly Chart

Bounces off the redrawn 2008-13 support line at 18.92

Silver Weekly Chart



Bounces off the 2008-13 support line at 18.92

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Gold/Silver Ratio - Daily Chart

Failure around the 61.8% Fibonacci retracement at 63.54 made us neutralise our forecast

- › The gold/silver ratio's failure slightly above the 61.8% Fibonacci retracement of the July-to-September decline at 63.54 and just below the June 7 high at 63.98 suggests that a period of consolidation is currently being seen. This is why we have neutralised our view.
- › We expect that the index will slip through the six week support line at 62.39 and reach the late November low at 61.82. It could even slip further towards the September peak at 61.33.
- › Minor resistance can be seen 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 revisited any time soon, however.

Gold/Silver Ratio Daily Chart



Support	Resistance	1-Week View	1-Month View
62.39&61.82	63.54/98	➔	➔
61.33/23&60.93	64.91/65.18		

Palladium - Daily Chart

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

- › Palladium surprised us by managing to stay above its November low at 709.63 and strongly bouncing off last week's low at 710.15, thus neutralising our forecast.
- › We thus have to allow for the October high at 754.51 and perhaps also for the 2013 resistance line at 762.16 to be revisited.
- › We will retain our short term bullish bias while the precious metal remains above the 200 day moving average at 725.95 on a daily chart closing basis.
- › Only a, for now no longer expected, drop through 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 762.16 is seen between the 764.88 November and the 772.11 June peaks.

Palladium Daily Chart

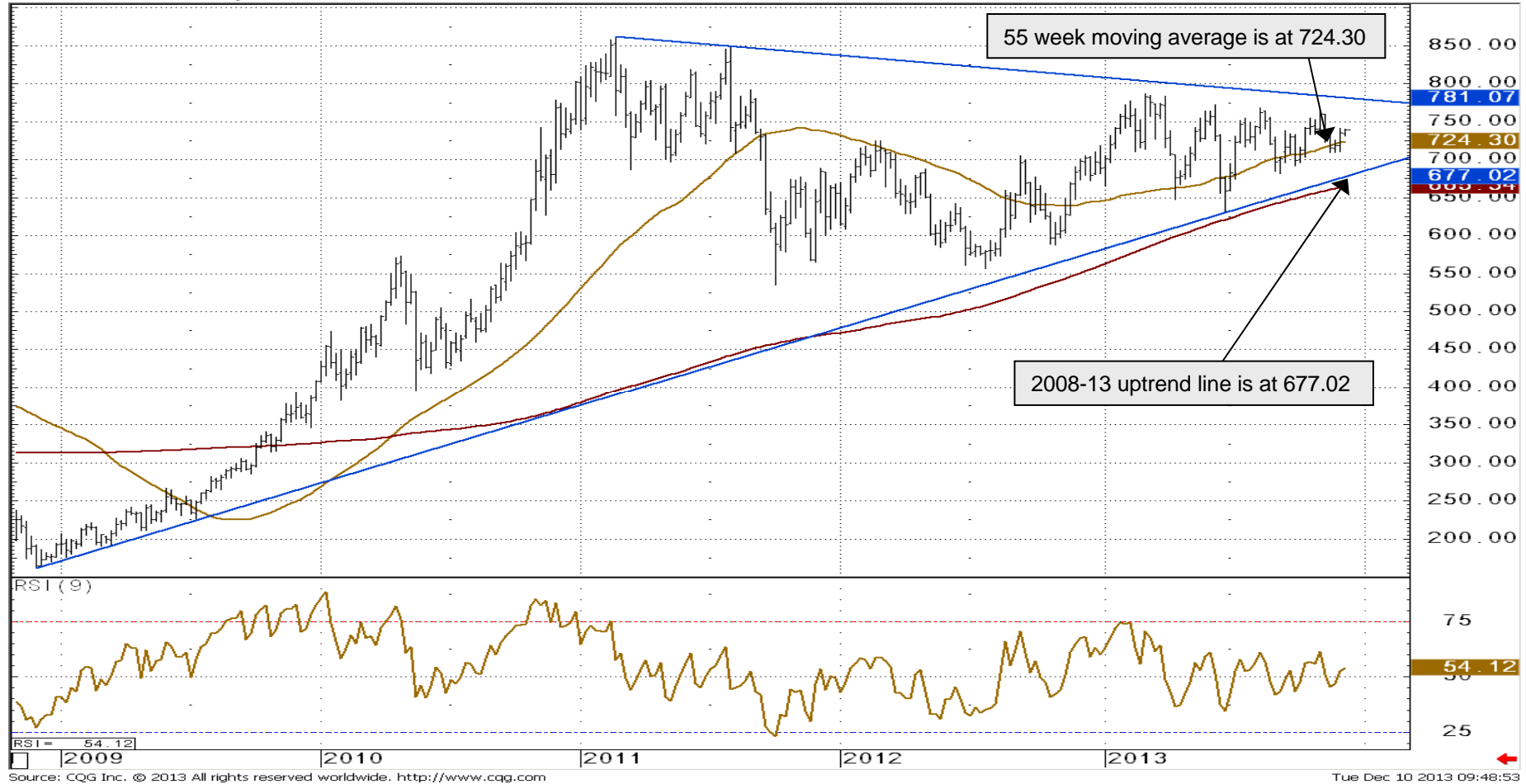


Support	Resistance	1-Week View	1-Month View
729.52/725.95	745.14&754.51	➔	➔
713.71/709.63	762.16&764.88		

Palladium - Weekly Chart

Trades back above the 55 week moving average at 724.31

Palladium Weekly Chart



Platinum - Daily Chart

Formed an interim low at 1335.49 and targets the 55 day moving average at 1414.68

- › Platinum's unexpected and swift reversal off its 1335.49 early December low made us neutralise our medium term forecast and have a short term bullish bias.
- › We believe that the 55 day moving average at 1414.69 and the 38.2% Fibonacci retracement of the August-to-December decline at 1421.63 are back in focus and could be reached before year end.
- › The next higher 50% retracement, 200 day moving average and 2013 resistance line at 1448.24/1464.26 should cap, though, if reached at all.
- › Slips should find support at the 1356.00 October low and, while trading above it on a daily chart closing basis, our short term forecast will stay bullish.
- › Only a, for now, unexpected drop through the 1335.49 low would make us bearish again and target the June and July lows at 1305.20 and 1288.63.

Platinum Daily Chart

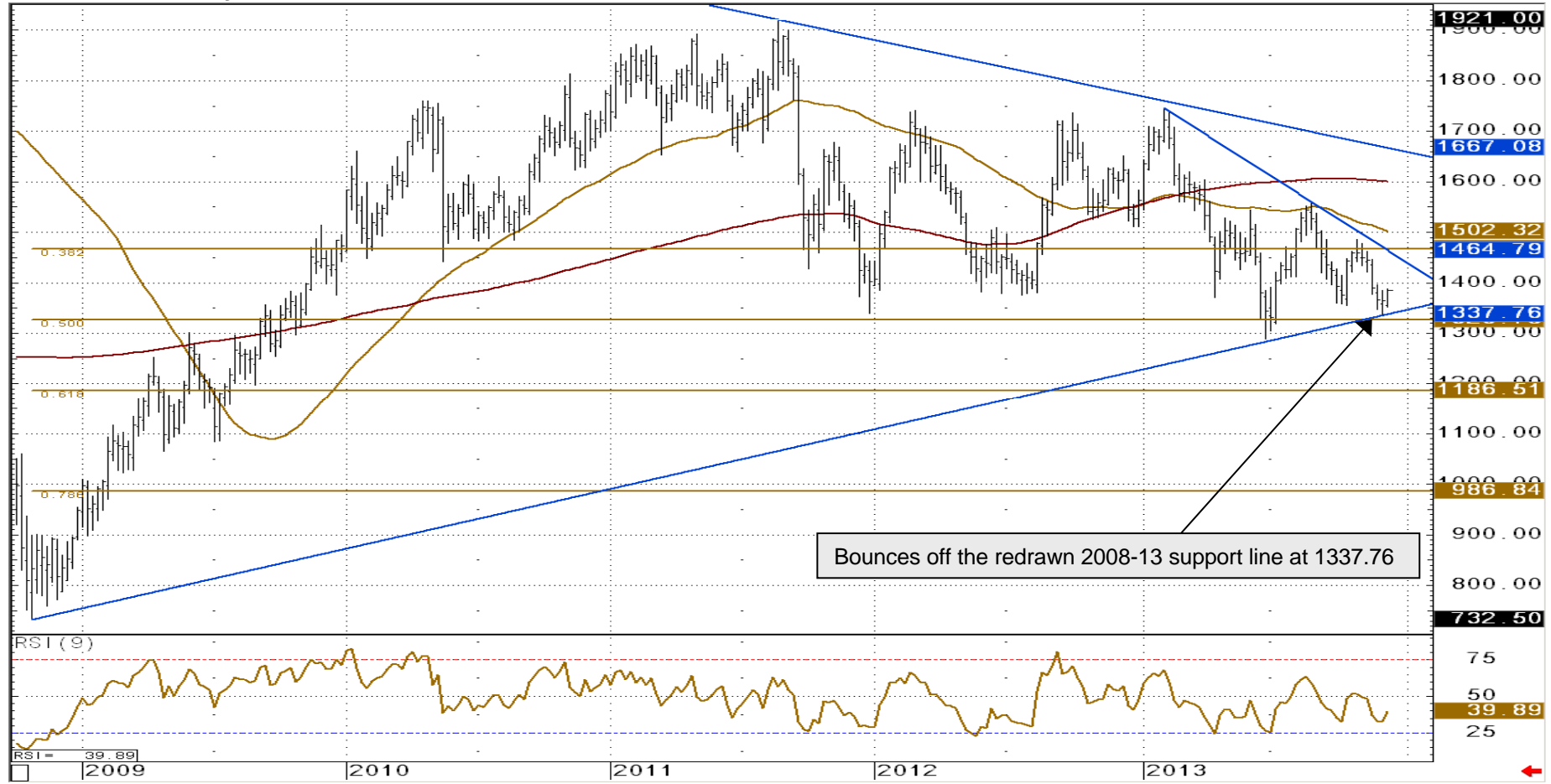


Support	Resistance	1-Week View	1-Month View
1360.0/1356.0	1391.0&1414.7	➔	➔
1335.5&1305.2	1421.6&1448.2		

Platinum - Weekly Chart

Bounces off the redrawn 2008-13 support line at 1337.76

Platinum Weekly Chart



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Technical Analysis Research **COMMERZBANK**

Daily Market Technicals
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Weekly Outlook and Technical Highlights

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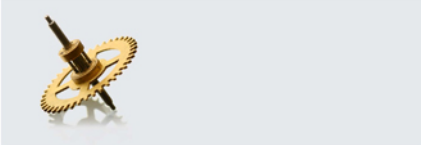


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