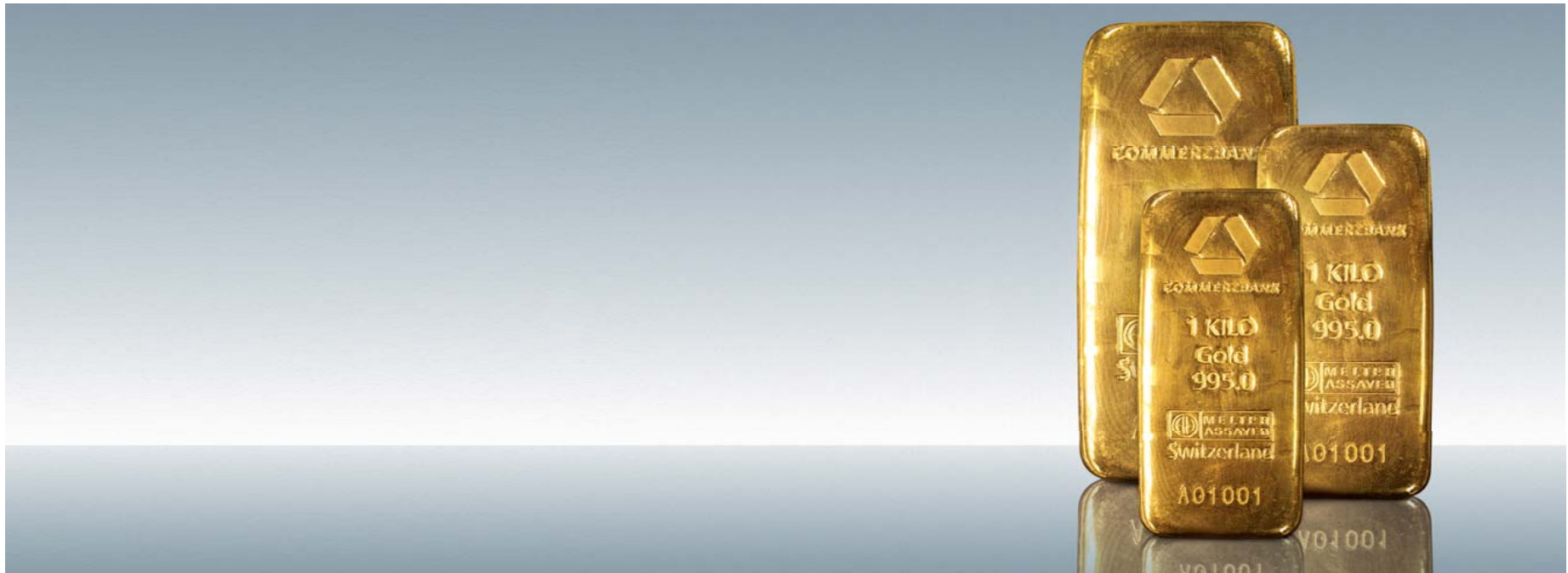


# Bullion Weekly Technicals

Tuesday, 27 August 2013

## Technical Outlook

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

## Technical Outlook

Precious metals have reached key resistance zones which we expect to put a lid on them

Market	Short term view (1-3 weeks)
Gold:	Has reached the 1400/1425 resistance area which we expect to cap.
Silver:	We expect the current rally to run out of steam in the 24.79/25.24 resistance zone.
Gold/Silver Ratio:	Is to find support in the 58 region, around the 200 day moving average at 58.20.
Palladium:	Is expected to stay below the June high at 772.11 and should soon slide again.
Platinum:	Platinum's advance is expected to falter in the 1571.90/1604.50 resistance area.

# Gold, Silver, Palladium and Platinum

Recent upside momentum in precious metals is beginning to slow down

GOLD SPOT \$/OZ (GOLDS Comdty)

[update](#)

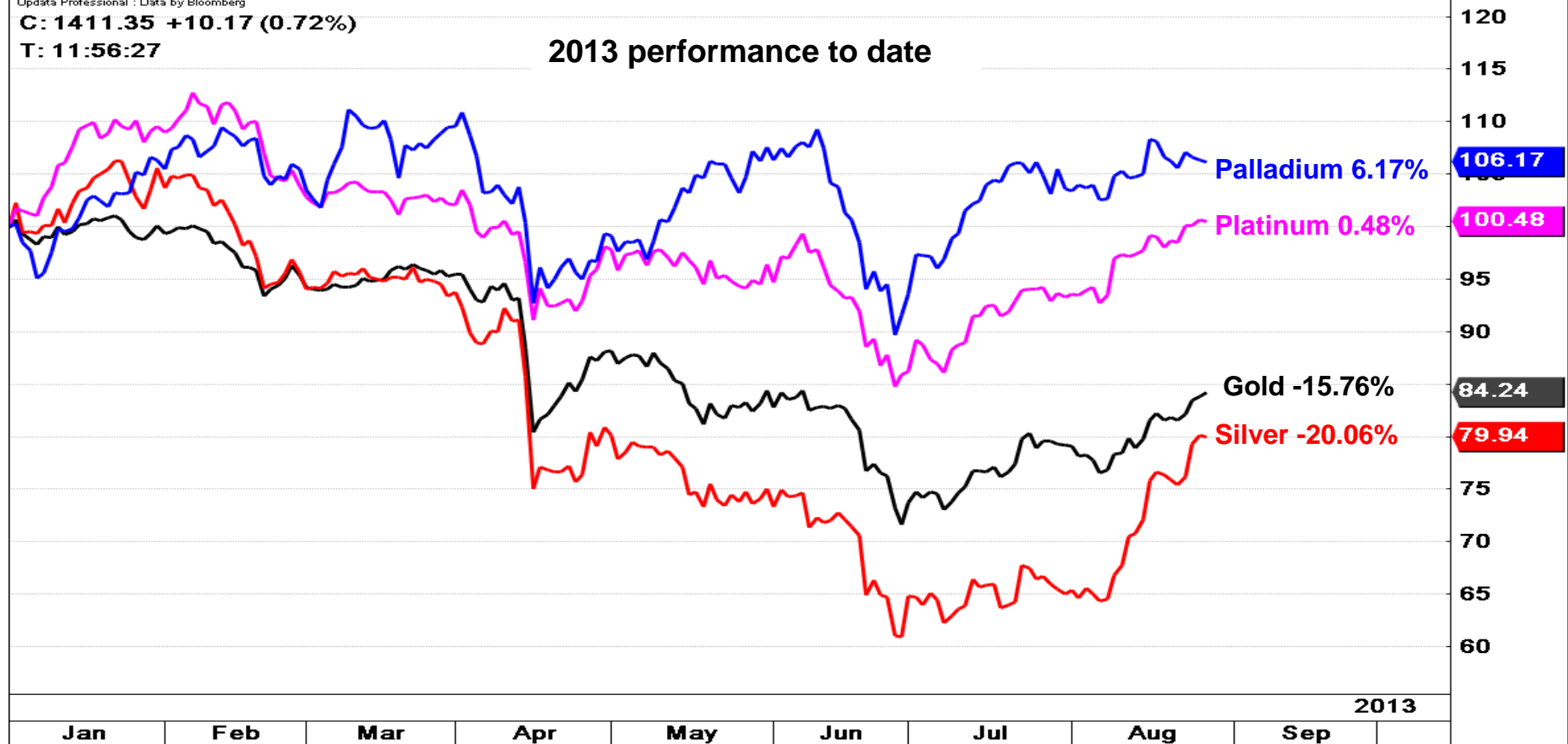
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2013 performance to date

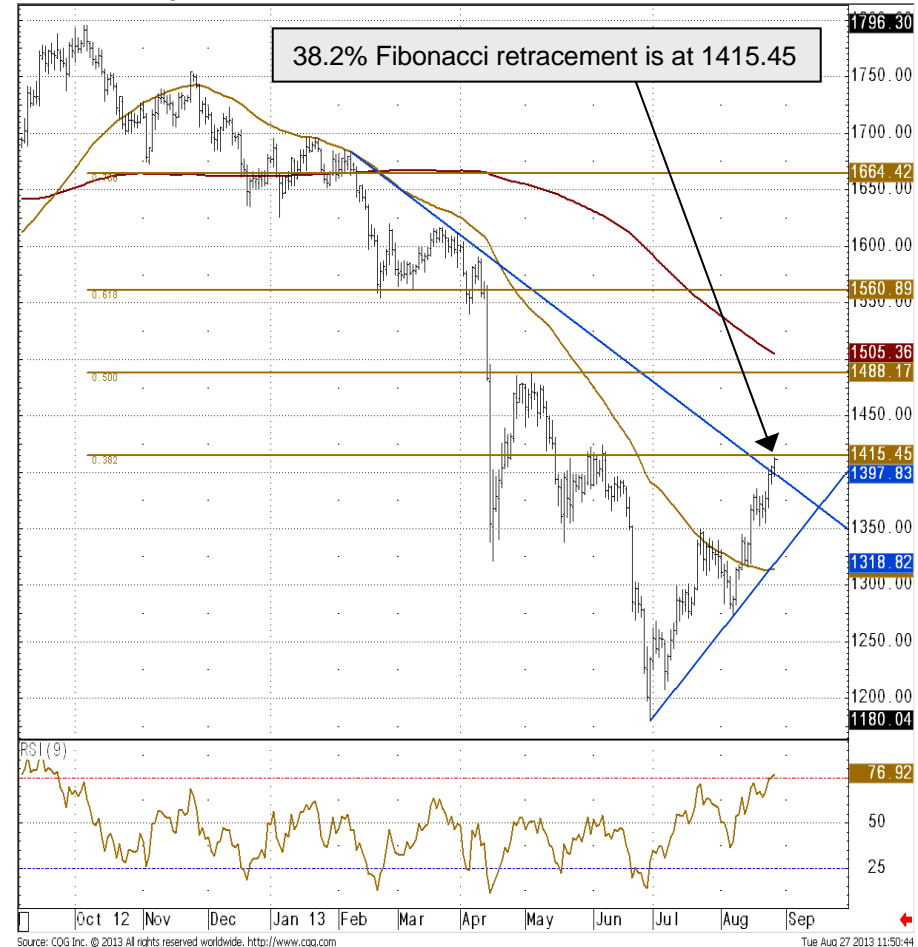


# Gold - Daily Chart

Has reached the 1400/1425 resistance area which we expect to cap

- › The gold price has reached the 1400/1425 zone as expected but we believe that it will soon begin to struggle.
- › We will retain our longer term bearish forecast while the gold price remains below the 1424.05 June high on a daily chart closing basis. This is expected to be the case since we are currently in the fifth minor up wave from the June low.
- › The current corrective rally higher should be followed by another decline back to the 1300/1250 region.
- › For this to happen a decline to below the 1352.20 August 20 low will have to be seen, however.
- › Failure at the current 1272.56 August low would confirm that another interim top has been formed. In such a scenario the 1200 region would be back in play instead.
- › Above 1425 sits resistance at 1440.20/1441.11.

Gold Daily Chart



Support	Resistance	1-Week View	1-Month View
1385&1349.3	1415.5/1424.1	➔	➔
1338.1&1321.5	1440.2/1441.1	➔	➔

# Gold - Weekly Chart

Has reached the 1400/1425 region around which the current corrective bounce should falter

## Gold Weekly Chart



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# Silver - Daily Chart

We expect the current rally to run out of steam in the 24.79/25.24 resistance zone

- › The silver price's steep ascent is beginning to slow down but the 24.79/24.87 resistance area may still be reached before another down leg is being made. It consists of the 38.2% Fibonacci retracement and the late April high.
- › Our longer term bearish view will remain in place while the 24.87 late April high and the 2012-13 downtrend line at 25.24 cap on a daily chart closing basis.
- › Only a, for now, unexpected slip back below the current August low at 19.13 would confirm such a reversal lower. In this case the July low at 18.69 will be back in sight.
- › Minor support is seen around the 23.65 August 19 high and at the 22.27 August 20 low. Further support is found around the April low at 21.99, the June 10 low at 21.37, the 55 day moving average at 20.68 and the May trough at 20.60.

Silver Daily Chart

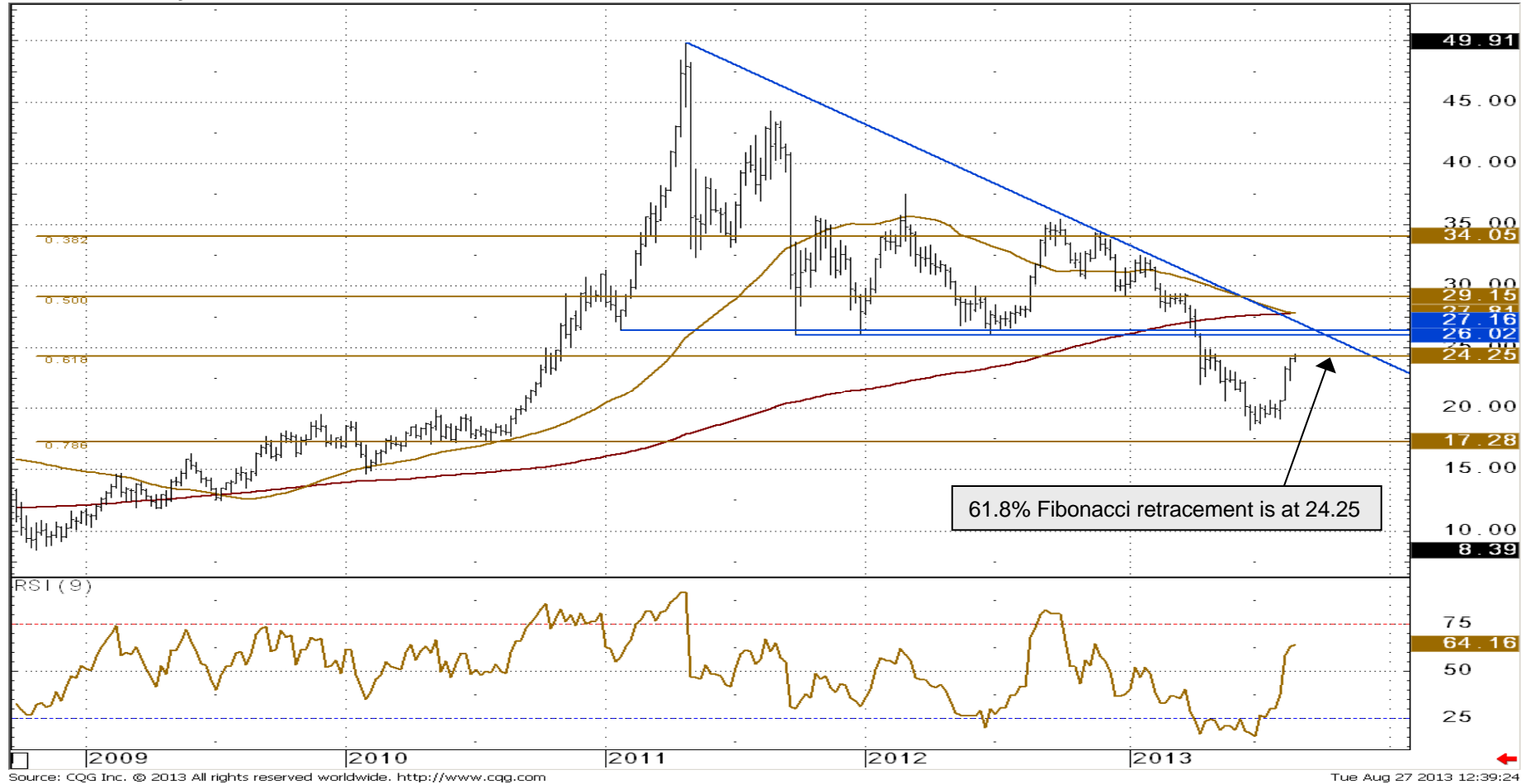


Support	Resistance	1-Week View	1-Month View
23.65&22.27	24.79/24.87	➔	➔
21.96&20.68	25.24&26.25		

# Silver - Weekly Chart

Is beginning to lose upside momentum around the 61.8% Fibonacci retracement at 24.25

## Silver Weekly Chart



# Gold/Silver Ratio - Weekly Chart

Is to find support in the 58 region, around the 200 day moving average at 58.20

- › The gold/silver ratio has brutally dropped all the way to 57.68 from its near three year high at 67.28 within the past few weeks.
- › We expect that it to level out around the 200 day moving average at 58.20 since positive divergence can now be seen between last week's low and the daily RSI.
- › Should the index prove us wrong, and a drop through the 57.68 current August low, the 61.8% Fibonacci retracement at 56.82 and the April low at 56.19 could be back in play. As stated above, we believe that a minor bounce will be seen instead.
- › Minor resistance comes in between the 50% retracement at 58.82 and the 59.77 late August high. More significant resistance can be seen between the late April low at 60.00 and the April high at 61.73. Further resistance sits at the 62.68 late June low.

## Gold/Silver Ratio Daily Chart



Support	Resistance	1-Week View	1-Month View
57.68&56.82	58.82/59.77	➔	➔
56.19&55.99	60.00&61.73		



# Palladium - Daily Chart

Is expected to stay below the June high at 772.11 and should soon slide again

- › Over the past week or so palladium has come off its 768.50 current August high and dropped to 740.24 before rising again.
- › We still expect the 2013 resistance line at 767.24 and the current August and June highs at 768.50/772.11 to cap.
- › As long as it does, the steep two month support line at 745.50 is expected to give way with the 55- and 200-day moving averages at 722.19/720.55 being targeted.
- › Only in case of a daily close below the 712.91 August low being seen, would we expect a new down leg to have begun.
- › Either way it is prudent to tighten profit taking stops on long palladium positions. Even if the 772.11 June high should unexpectedly be bettered, the 783.75/786.50 March and April highs should cap.

Palladium Daily Chart

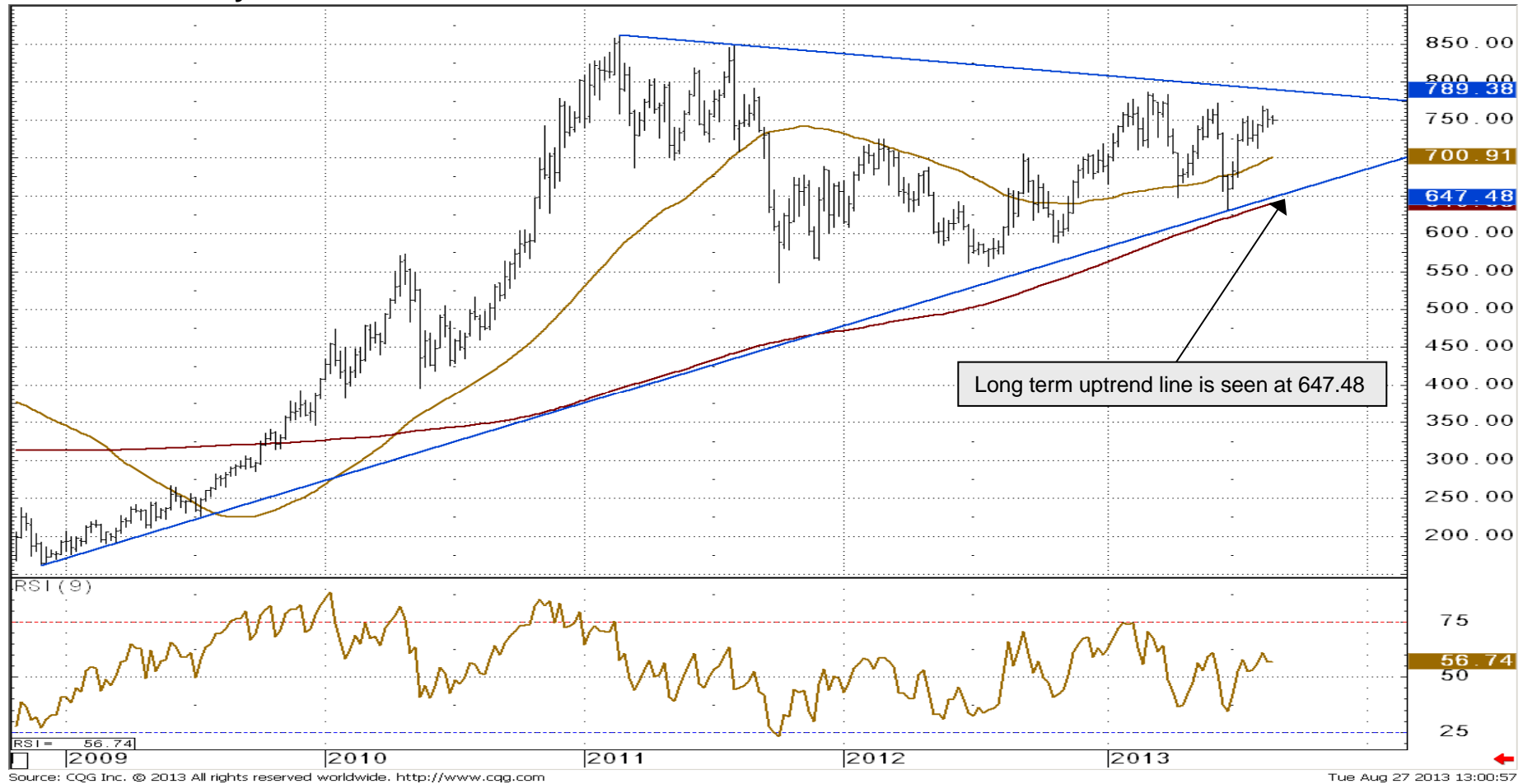


Support	Resistance	1-Week View	1-Month View
745.50&733.97	767.24&768.50	➔	➔
722.19/720.55	772.11/786.50		

# Palladium - Weekly Chart

Still oscillates around the 750 level

Palladium Weekly Chart



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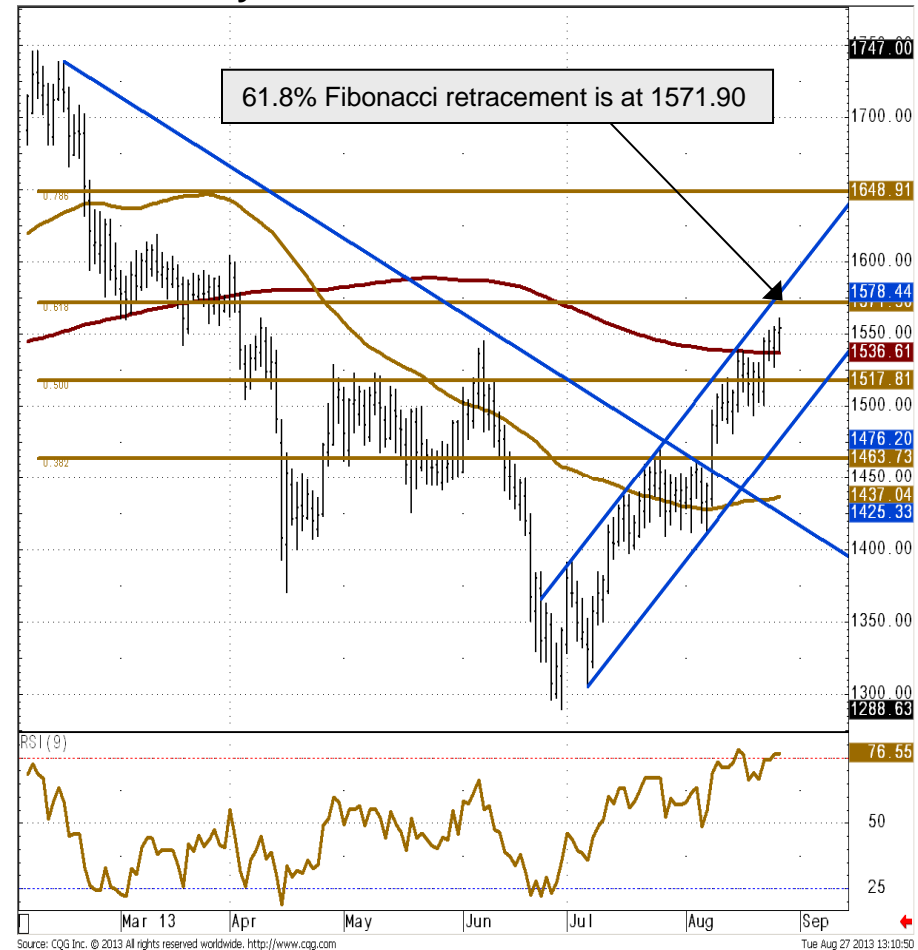
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# Platinum - Daily Chart

Platinum's advance is expected to falter in the 1571.90/1604.50 resistance area

- Platinum's ascent has managed to rise above the 200 day moving average at 1536.61 and grapples with the 55 week moving average at 1547.68 around which the recent advance is to fizzle out in the days to come.
- Should this not be the case, the 61.8% Fibonacci retracement at 1571.90 and the April peak at 1604.50 could be reached as well before another down leg is being made.
- Such a decline would be confirmed by a decline to below the current August low at 1411.50 which would then have the 1370.50 April low in its sights.
- Minor support below the 200 day moving average at 1536.58 comes in between the 1493.50 August 20 low and the 1480.70 August 14 trough. The uptrend channel support line at 1476.20 could also act as support.
- Above 1604.50 sits the 1619.50 March 12 high. Further up is the December peak at 1651.00.

Platinum Daily Chart

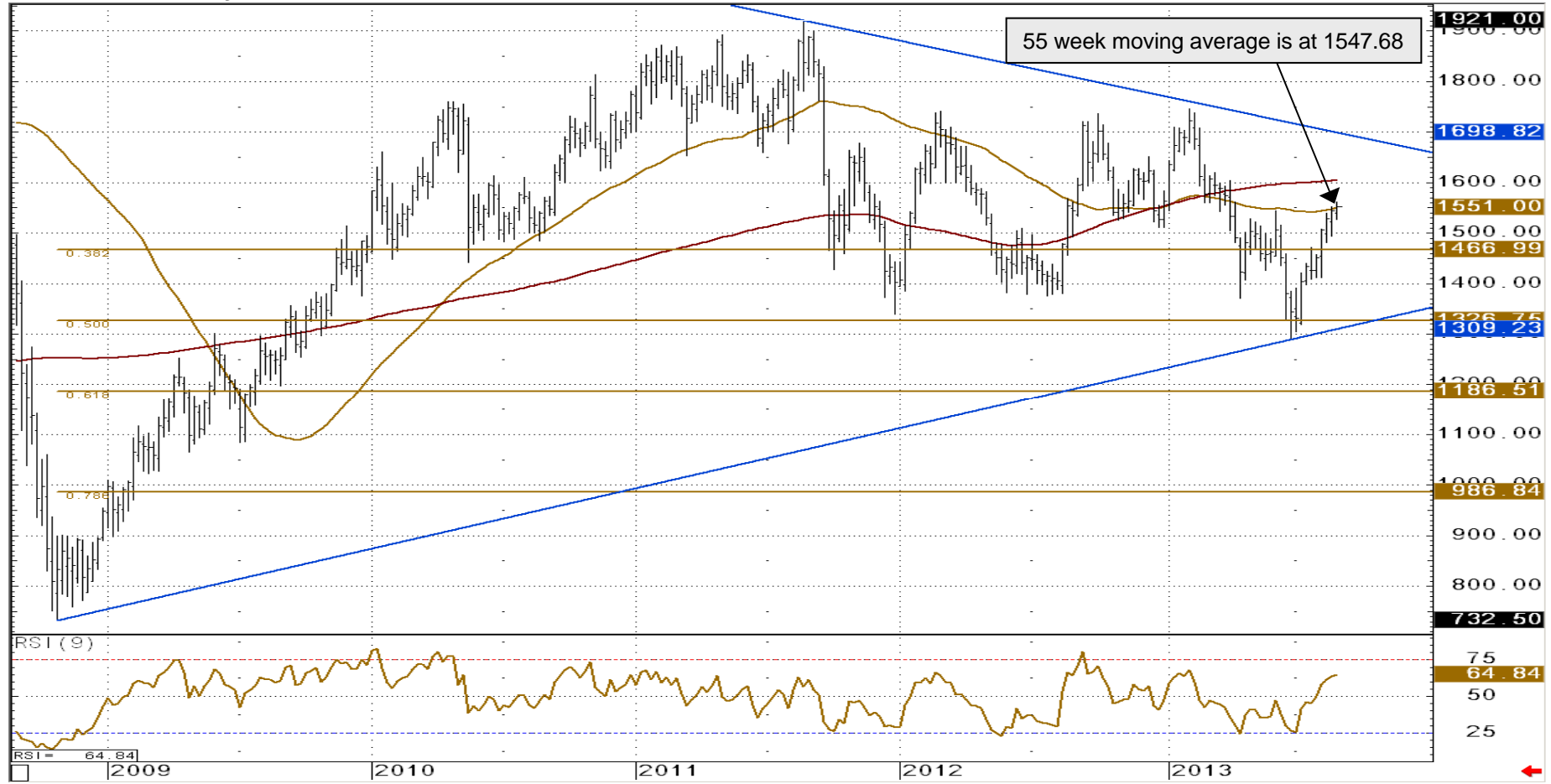


Support	Resistance	1-Week View	1-Month View
1493.5/1480.7	1571.9&1604.5	➔	➔
1472.1/1463.7	1619.5&1651.0		

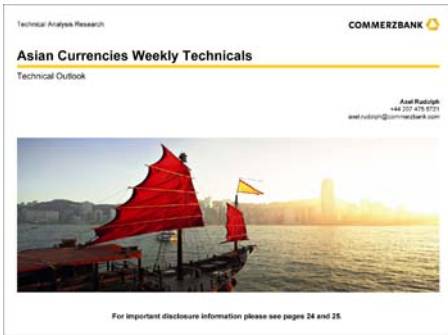
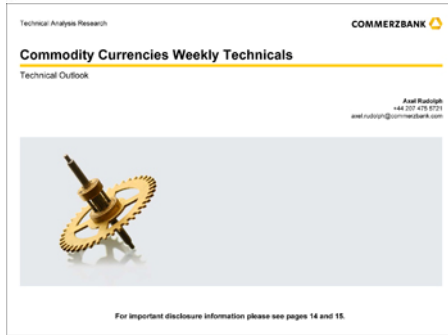
# Platinum - Weekly Chart

Is still having difficulties with the 55 week moving average at 1551.00

Platinum Weekly Chart



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