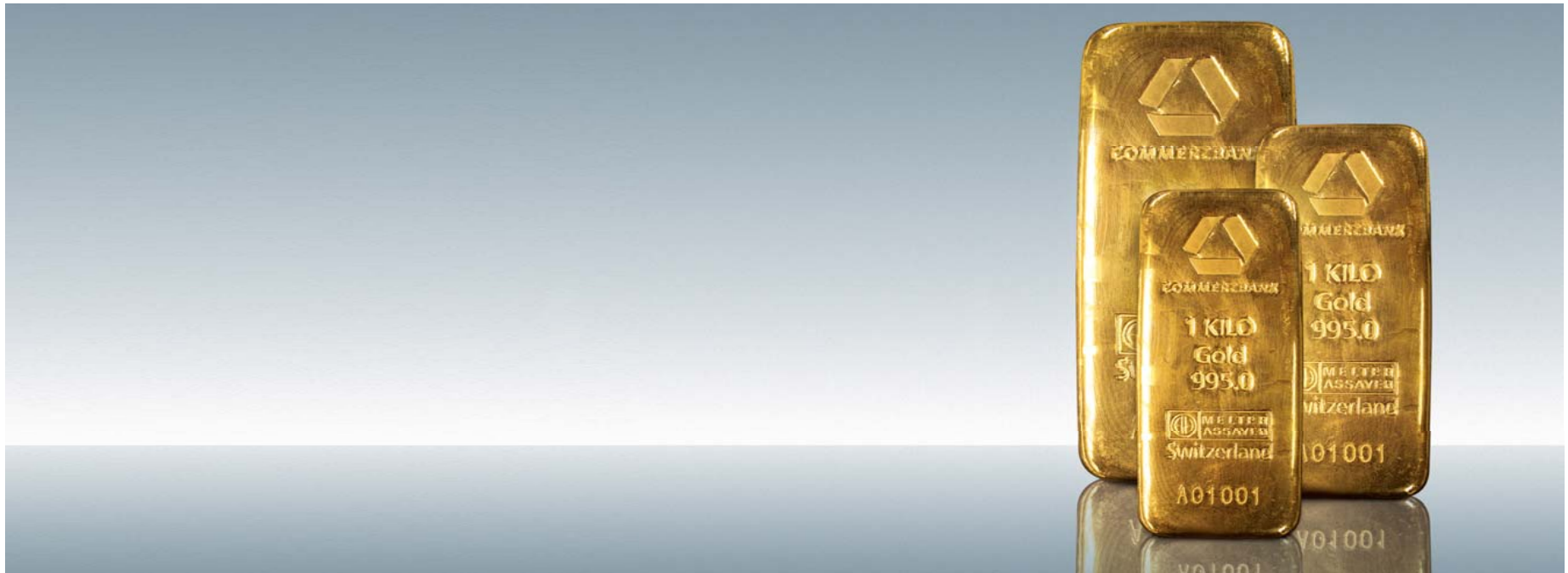


Bullion Weekly Technicals

Monday, 20 January 2014

Technical Outlook

Axel Rudolph
+44 207 475 5721
axel.rudolph@commerzbank.com



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Technical Outlook

Precious metals test key resistance which could still give way, making us medium term bullish

Market	Short term view (1-3 weeks)
Gold:	A daily close above the 1260.60/1272.56 resistance area could lead to a rise to 1327.90/1375.37.
Silver:	Key resistance at 20.49/65 still caps but a daily close above it will be medium term bullish.
Gold/Silver Ratio:	Break out of the 62.52/60.94 range is to decide the medium term trend. The odds favour the upside.
Palladium:	May still reach the 758.58/772.11 zone but this is to cap since negative divergence can be seen.
Platinum:	Probes resistance at 1465.57/1486.26, a rise above which would make us medium term bullish.

Gold, Silver, Palladium and Platinum

Precious metals are beginning to lose some upside momentum

GOLD SPOT \$/OZ (GOLDS Comdty)

[update](#)

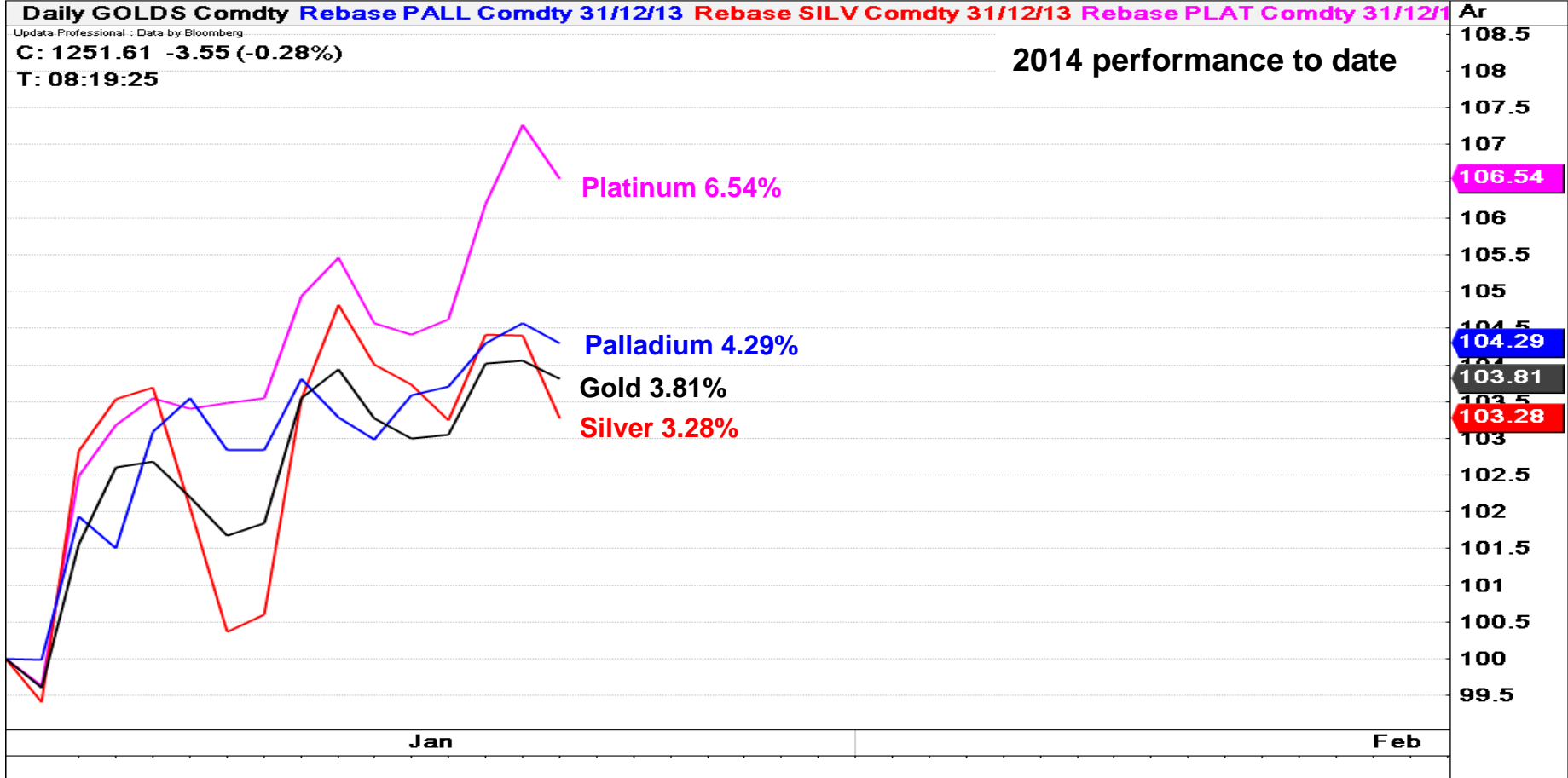
Daily GOLDS Comdty Rebase PALL Comdty 31/12/13 Rebase SILV Comdty 31/12/13 Rebase PLAT Comdty 31/12/13

Update Professional : Data by Bloomberg

C: 1251.61 -3.55 (-0.28%)

T: 08:19:25

2014 performance to date



Gold - Daily Chart

A daily close above the 1260.60/1272.56 resistance area could lead to a rise to 1327.90/1375.37

- › The rally off the December low has taken the gold price right into the 1260.60/1272.56 resistance area which is made up of the December peak, the 2013-14 downtrend line and the August low.
- › This resistance zone will be key for the next couple of months' trend. A daily close above it will open the way up for the area seen between the 200 day moving average at 1321.36, the July peak at 1349.31 and the mid-September and October highs at 1362.23/1375.37 to be reached.
- › Should the gold price be rejected by resistance at 1260.60/1272.56, a retest of the 1225.00/1211.57 (early December low) looks to be on the cards. At present we do not expect a low below the December trough at 1184.23 to be made, though.
- › Should this be the case and the 1180.04 2013 low give way, the 1156.55/1154.72 July 2010 low and the 61.8% Fibonacci retracement of the 2008-11 rise will be targeted.

Gold Daily Chart



Support	Resistance	1-Week View	1-Month View
1219.5/1211.57	1268.3/1277.7	➔	➔
1184.2/1180.04	1291.6/1300.0		

Gold - Weekly Chart

The long term downtrend at 1260.60 and the August low at 1272.56 are key for the near future
Gold Weekly Chart



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Tue Jan 21 2014 08:22:01

Silver - Daily Chart

Key resistance at 20.49/65 still caps but a daily close above it will be medium term bullish

- › Silver bounced off its late December low at 18.82 and has so far risen to 20.65, right within the significant resistance area at 20.49/65. It contains the October lows, December peak, the 2012-14 downtrend line and the July peak.
- › While it caps on a daily chart closing basis, a fall through the December low at 18.82 remains on the cards which 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 half of 2014 even if a rise were to be seen first.
- › As stated before, we cannot exclude a rise above 20.65 in which case we will turn medium term bullish. We could then see a recovery all the way towards the 23.12 October peak before another medium term down leg is being made. While trading below 20.65 we will stay neutral.

Silver Daily Chart



Support	Resistance	1-Week View	1-Month View
19.57/30&18.88	20.49/65	➔	➔
18.82&18.69	21.19&21.61		

Silver - Weekly Chart

Remains above the 2008-13 support line at 18.94 and the psychological 20.00 mark

Silver Weekly Chart



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Gold/Silver Ratio - Daily Chart

The break out of the 62.52/60.94 range should determine the medium term trend

- › The gold/silver ratio's bounce off its December low at 60.33 took it to the 62.65 level before swiftly coming off again.
- › We will keep our neutral outlook as long as the ratio trades within the confines of the 2013-14 resistance line at 62.52 and the 2012-14 uptrend line at 60.94 and December low at 60.33.
- › A rise above 62.52 will put the significant resistance area at 63.54/98 (61.8% Fibonacci retracement and the December peak) back on the map, whereas a drop below 60.33 will lead to the October low at 58.95 being targeted.
- › While the ratio stays above the 60.33 December low, we will favour the upside once the current consolidation has run its course.
- › Should a rise above 63.54/98 be seen, the 64.91/65.18 resistance zone will be back in play (early July high, mid-July low and the 78.06% Fibonacci retracement).

Gold/Silver Ratio Daily Chart



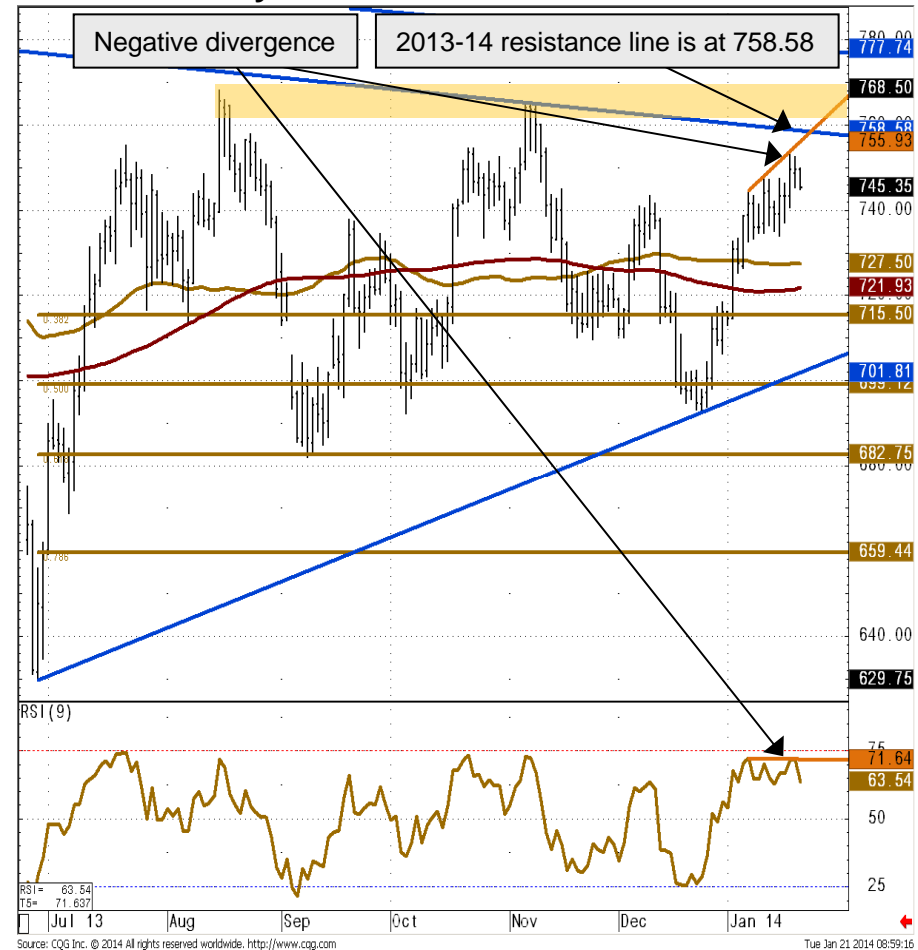
Support	Resistance	1-Week View	1-Month View
61.23&60.94/33	62.39/52,62.65	➔	➔
59.80&58.95	62.9&63.54/98		

Palladium - Daily Chart

May still reach the 758.58/772.11 zone but this is to cap since negative divergence can be seen

- › Palladium's bounce off the December low at 692.50 has so far taken it to the 753.50 level, close to the 758.58/772.11 resistance area (2013-14 downtrend line and the June, August and November highs) which is to cap, if reached.
- › This rise has been accompanied by negative divergence on the daily RSI which could be a precursor to another down leg being made but a daily close below the 725.25 January 3 low would need to be seen for this scenario to become more probable.
- › Unless such a decline occurs, the odds will continue to favour the upside but first at least a minor corrective move lower towards the 733.99 January 15 low should be seen.
- › For now we expect to see further range trading between the December low at 692.5 and the August high at 768.50.
- › Were the next higher June high at 772.11 to be overcome, the 783.75/786.50 March/April highs would be targeted.

Palladium Daily Chart

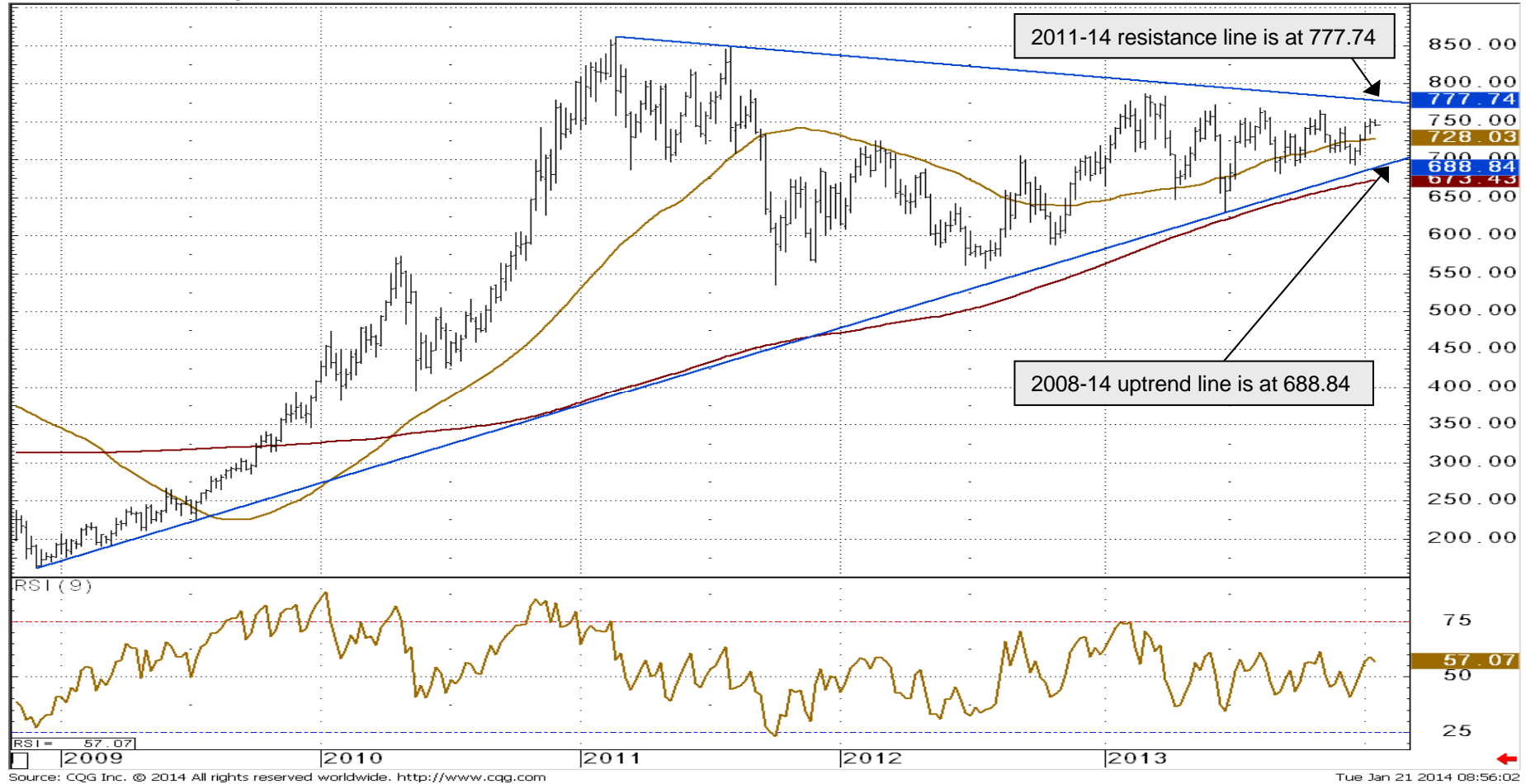


Support	Resistance	1-Week View	1-Month View
733.99&727.51	758.58/764.76	➔	➔
721.93&709.63	768.50/772.11		

Palladium - Weekly Chart

Still flirts with the 750.00 level

Palladium Weekly Chart



Platinum - Daily Chart

Probes resistance at 1465.57/1486.26, a rise above which would make us medium term bullish

- › Platinum has broken through the 2013-14 resistance line at 1426.86 and risen above the 200 day moving average at 1437.78.
- › The 1465.57/1486.26 resistance area is currently being tested. It is where the 61.8% Fibonacci retracement of the August-to-December decline, the July, mid-September and October highs were all made. We still expect this resistance zone to cap, at least for a few more days.
- › If 1465.57/1486.26 were to be overcome, the August peak at 1561.00 and the minor psychological 1600.00 region will be back in sight. In this scenario we will revert back to a medium term bullish forecast instead of our neutral one.
- › Slips should find support between the 200 day moving average at 1437.78 and the breached resistance line at 1426.86.
- › While trading below 1486.26 we will remain neutral.

Platinum Daily Chart

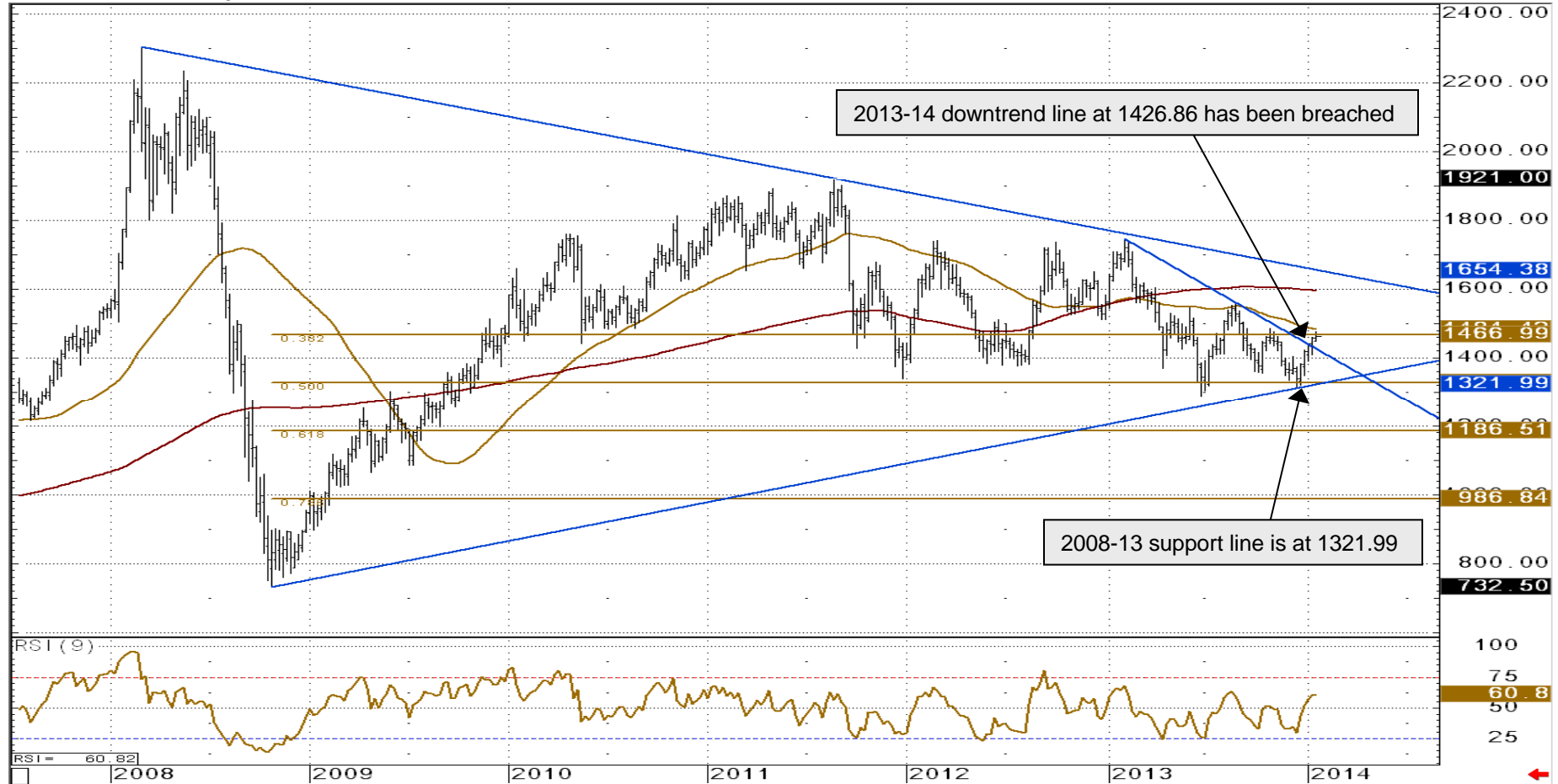


Support	Resistance	1-Week View	1-Month View
1437.78/1426.8	1477.0/1486.3	➔	➔
1409.99/1400.3	1561.0&1600.0		

Platinum - Weekly Chart

Has risen above the 2013-14 downtrend line at 1426.86

Platinum Weekly Chart



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Tue Jan 21 2014 09:12:13

Technical Analysis Research **COMMERZBANK**

Daily Market Technicals
FX Outlook

Karen Jones
+44 202 475 1620
karen.jones@commerzbank.com

Adeel Rubeigh
+44 202 475 1721
adeel.rubeigh@commerzbank.com



For important disclosure information please see pages 14 and 15.

Technical Analysis Research **COMMERZBANK**

Strategic Technical Themes
Weekly Outlook and Technical Highlights

Karen Jones
+44 202 475 1620
karen.jones@commerzbank.com

Adeel Rubeigh
+44 202 475 1721
adeel.rubeigh@commerzbank.com



For important disclosure information please see pages 28 and 29.

Technical Analysis Research **COMMERZBANK**

FX Emerging Markets Weekly Technicals
Technical Outlook

Adeel Rubeigh
+44 202 475 1721
adeel.rubeigh@commerzbank.com



For important disclosure information please see pages 15 and 16.

Technical Analysis Research **COMMERZBANK**

Bullion Weekly Technicals
Technical Outlook

Adeel Rubeigh
+44 202 475 1721
adeel.rubeigh@commerzbank.com

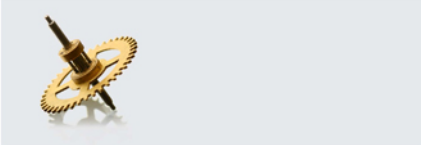


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Commodity Currencies Weekly Technicals
Technical Outlook

Adeel Rubeigh
+44 202 475 1721
adeel.rubeigh@commerzbank.com



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Technical Analysis Research **COMMERZBANK**

Commodity Weekly Technicals
Technical Outlook

Karen Jones
+44 202 475 1620
karen.jones@commerzbank.com

Adeel Rubeigh
+44 202 475 1721
adeel.rubeigh@commerzbank.com




For important disclosure information please see pages 21 and 22.

Technical Analysis Research **COMMERZBANK**

Asian Currencies Weekly Technicals
Technical Outlook

Adeel Rubeigh
+44 202 475 1721
adeel.rubeigh@commerzbank.com



For important disclosure information please see pages 24 and 25.

Technical Analysis Research **COMMERZBANK**

Fixed Income Weekly Technicals
Technical Outlook

Karen Jones
+44 202 475 1620
karen.jones@commerzbank.com

Adeel Rubeigh
+44 202 475 1721
adeel.rubeigh@commerzbank.com



For important disclosure information please see pages 33 and 34.

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- Tuesday:** Daily Market Technicals (FX), Commodity Weekly Technicals;
- Wednesday:** Daily Market Technicals (FX), Commodity Currencies Weekly Techn., Strategic Technical Themes;
- Thursday:** Daily Market Technicals (FX), Asian Currencies Weekly Technicals;
- Friday:** Daily Market Technicals (FX), Fixed Income Weekly Technicals.

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Commerzbank AG	Commerzbank AG London Branch	Commerz Markets LLC	Commerzbank AG	Commerzbank AG
DLZ - Gebäude 2, Händlerhaus Mainzer Landstraße 153 60327 Frankfurt	PO BOX 52715 30 Gresham Street London, EC2P 2XY	2 World Financial Center, 32nd floor New York, NY 10020-1050 Tel: + 1 212 703 4000	71 Robinson Road, #12-01 Singapore 068895 Tel: +65 631 10000	29/F, Two IFC 8 Finance Street Central Hong Kong Tel: +852 3988 0988



Karen Jones
Head of FICC Technical Analysis

Tel. +44 207 475 1425
Mail karen.jones@commerzbank.com

Axel Rudolph
Senior Technical Analyst

Tel. +44 207 475 5721
Mail axel.rudolph@commerzbank.com

Zentrale
Kaiserplatz
Frankfurt am Main
www.commerzbank.de

Postfachanschrift
60261 Frankfurt am Main
Tel. +49 (0)69 / 136-20
Mail info@commerzbank.com