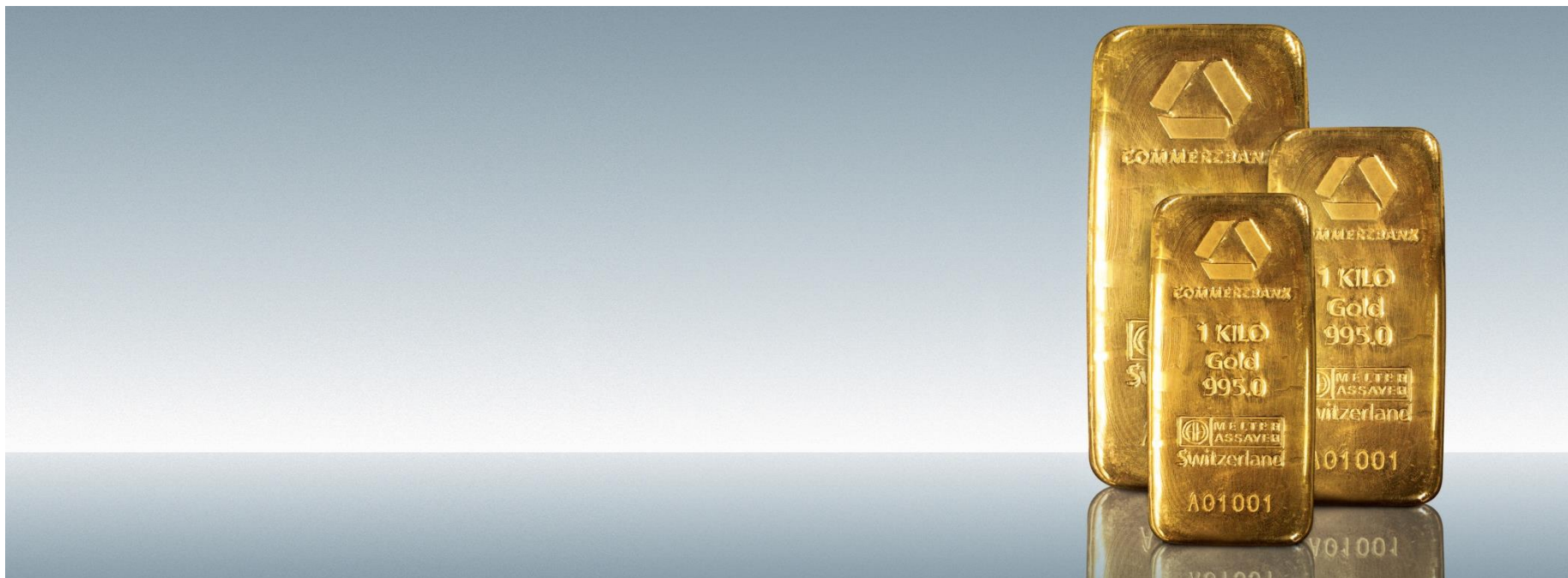


Bullion Weekly Technicals

Wednesday, 01 February 2017

Technical Outlook

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For important disclosure information please see pages 11 and 12.

Technical Outlook

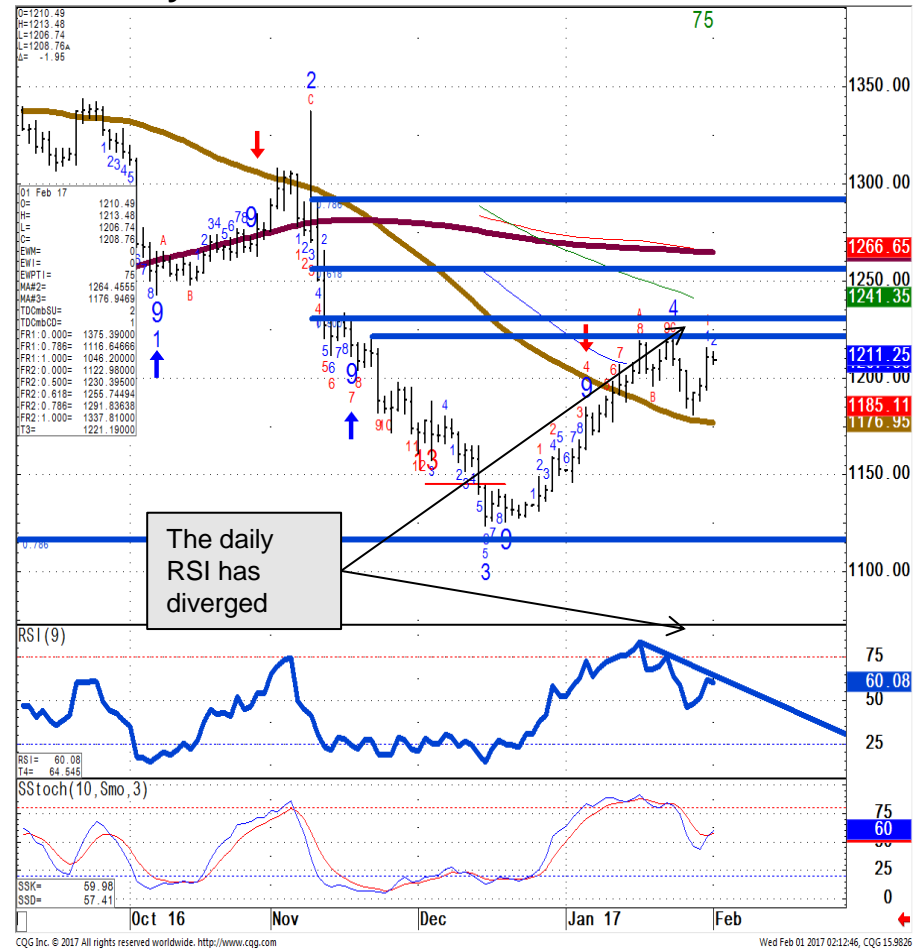
| Market | Short Term View (1-3 weeks) | Page |
|-------------------|--|--------------------------------------|
| Gold | Has stabilised ahead of the 55 day ma at 1176.95 | Click here for chart |
| Silver | Market is in 2 month highs. Longer term we think it is trying to base. | Click here for chart |
| Gold/Silver Ratio | Has at last failed at the 72.50/73.05 resistance is narrowing. Attention reverts to the 68.03 7 month support line | Click here for chart |
| Palladium | Correction lower held over the 200 week ma at 708 to keep up move intact. | Click here for chart |
| Platinum | Rally is side lined below 200 day ma – but is bid in its range | Click here for chart |

Gold - Daily Chart

Has stabilised ahead of the 55 day ma at 1176.95

- Spot Gold managed to hold over the 55 day ma at 1176.95 but has yet to clear near by resistance offered by 1219.95. Currently we are neutral to positive above the 55 day ma. Failure here will destabilise the chart and introduce scope for a retest of the 1123 mid December low, but we look for longer term trend lines circa 1108/07 to hold the downside (see the weekly and monthly chart). This support is reinforced by the 78.6% retracement of the move from 2015 to 2016, this is located at 1116/17.
- Only above 1220 will introduce scope for a rally to the 55 and 200 week ma at 1245/52. Also the 50% retracement is located at 1230, and additional resistance lies at 1236.30/1242.65, the late June and October lows. We therefore suspect that the gold upmove will struggle here.
- The 200 day ma lies at 1264.46 and this guards the 1312.80 (the 5 year downtrend). Only a close above here would restore upside pressure.

Gold Daily Chart



| Support | Resistance | 1-Week View | 1-Month View |
|---------------|---------------------|-------------|--------------|
| 1181/1176.95 | 1220 | ➔ | ➔ |
| 1145, 1123/17 | 1236.30/ 1242.65 | | |

Gold Monthly Chart – we are going to neutralise our longer term bearish bias



Gold Weekly Chart – 5 Year downtrend at 1312.79

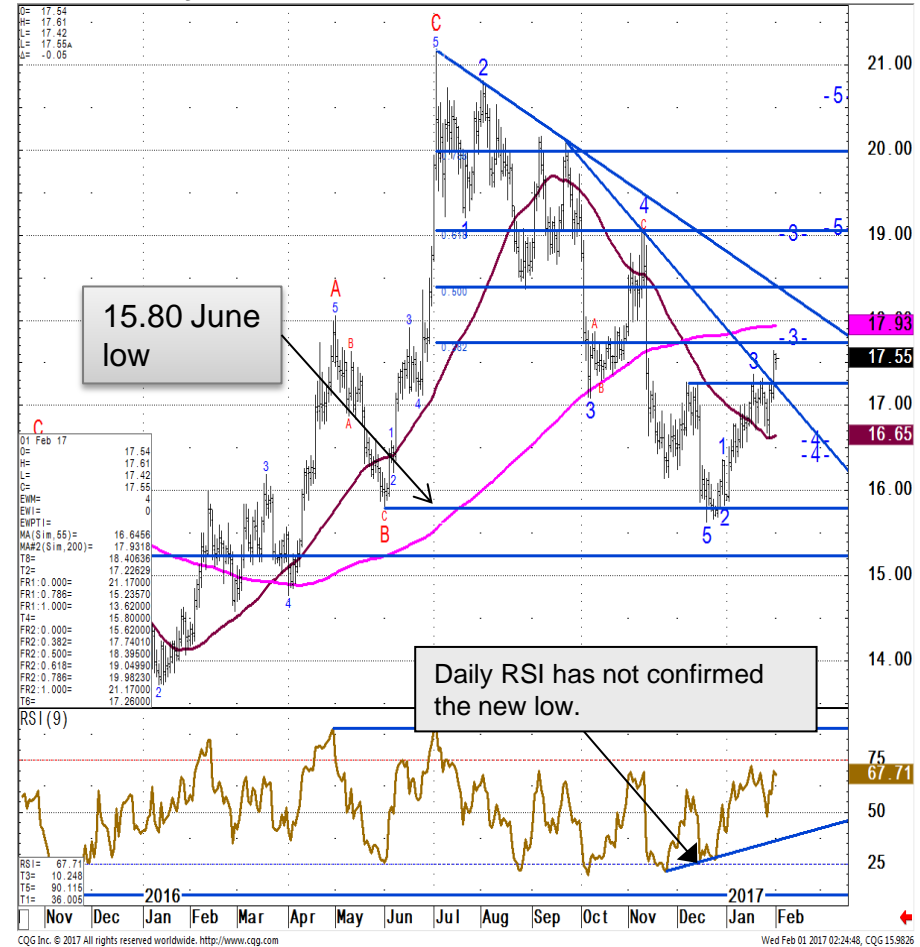


Silver - Daily Chart

Market is in 2 month highs. Longer term we think it is trying to base.

- Silver spent has seen a robust rally from the 55 day ma at 16.65 and eroded the 4 month resistance line at 17.26 and recent highs at 17.37. We look for gains to the 17.93, the 200 day ma.
- For the downtrend to be eroded we will need a weekly close above 18.09/20, the long term downtrend and the 200 week ma (see the weekly chart on the following page). This will alter the chart and initially target the 21.17 July high but is this is expected to take some time.
- Below 16.61 (last weeks low) is likely to see a retest of the 15.80 June low and the 15.62 December low. Only below 15.80/62 targets 15.23/24 the 78.6% retracement of the move seen this year. This is seen as the last defence for 13.62 December 2015 low.

Silver Daily Chart

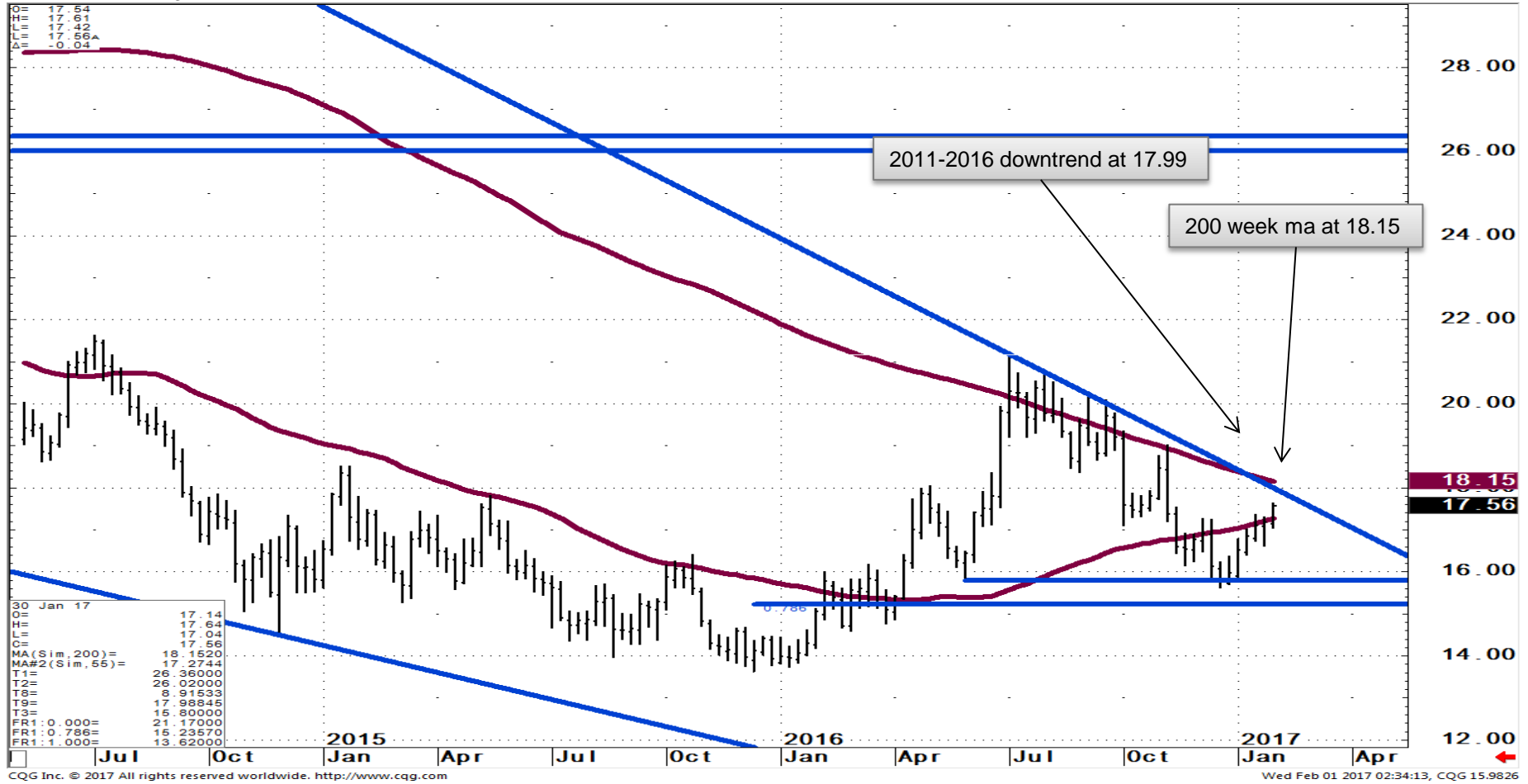


| Support | Resistance | 1-Week View | 1-Month View |
|----------|--------------|-------------|--------------|
| 16.65/61 | 17.93 | ➔ | ➔ |
| 15.80/62 | 17.88, 18.20 | | |

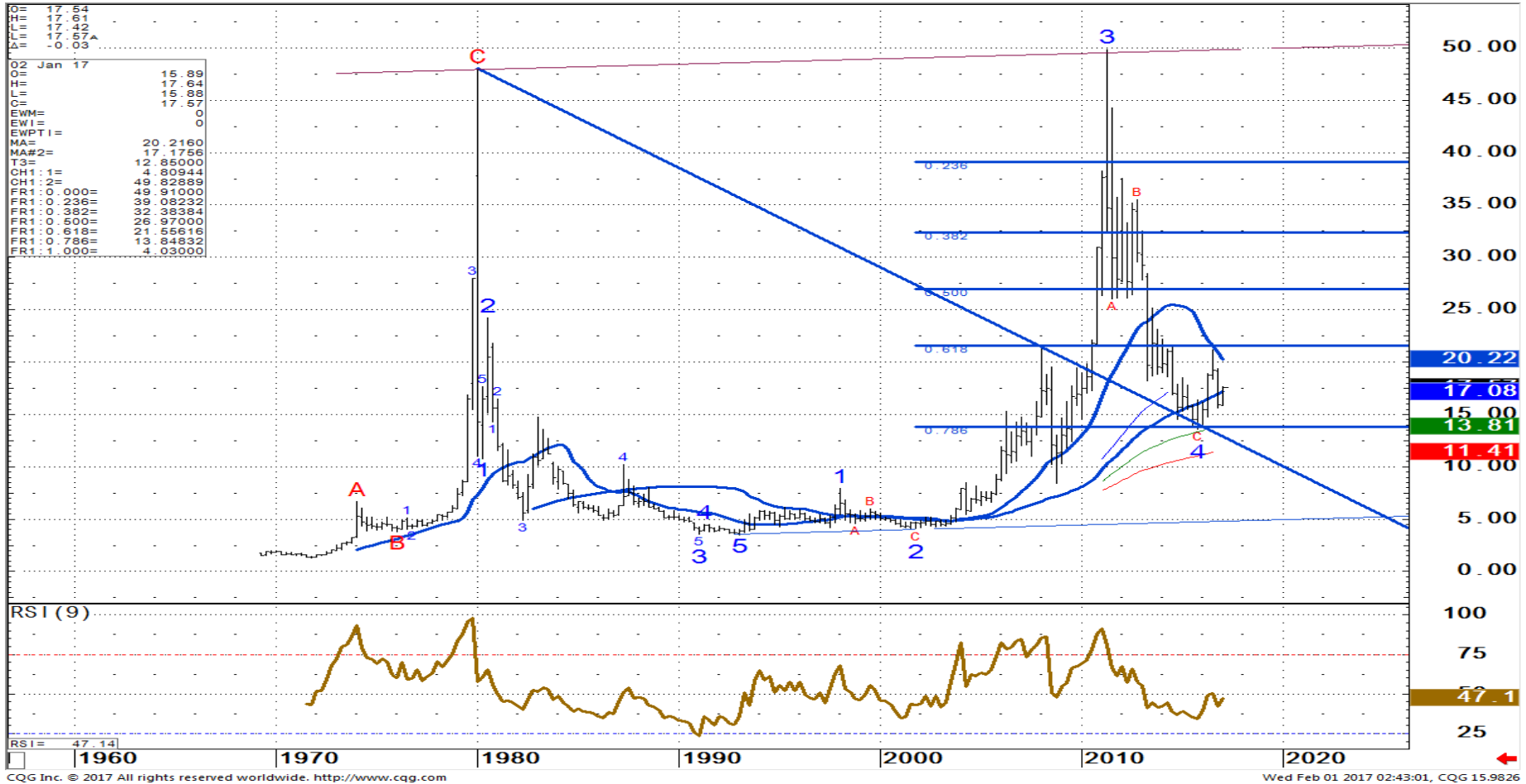
Silver - Weekly Chart

The 2011-2016 downtrend line at 17.99 and 200 week ma at 18.15 maintains the longer term negative bias.

Silver Weekly Chart



Silver – Quarterly Chart. Is this basing longer term?? Possibly?? Need further confirmation.



Gold/Silver Ratio - Daily Chart

Has at last failed at the 72.50/73.05 resistance is narrowing. Attention reverts to the 68.03 7 month support line.

- › The gold/silver ratio has at last failed at the 72.50/73.05 recent highs. Our attention has reverted back to the 68.03 support line. While this holds the market is somewhat side lined.
- › The uptrend together with more solid support at 67.21/12, where the September and current November lows were made is expected to act as the short term break down point.
- › The 67.12 support guards the 65.61 July low. Below the 65.61 July low lies the 38.2% Fibonacci retracement of the entire move up from 2011 at 63.54 and also 62.20, the July 2014 low. Failure there would see a further downside target of 57.50, the 50% retracement from 2011, engaged.
- › The recent high at 73.05 guards the 74.38/50% retracement and the 76.09 May peak.

Gold/Silver Ratio Daily Chart



| Support | Resistance | 1-Week View | 1-Month View |
|-----------------|--------------|-------------|--------------|
| 68.03, 67.12/12 | 72.50, 73.05 | ➔ | ➔ |
| 65.61 | 74.38/48 | | |

Palladium - Daily Chart

Correction lower held over the 200 week ma at 708 to keep up move intact.

- › Palladium following the divergence of the RSI last week, we saw the market correct lower as expected. We sold off towards and recovered very strongly just ahead of the 61.8% retracement at 708. Longer term we would allow for gains to the 814/78.6% retracement and the 833.65 March 2015 high, but would expect the market to struggle here. Please note that the weekly RSI has also recently not confirmed new highs.
- › The 200 week ma at 708 reinforces support here and while above here we will look for further upside. Below 708 lies the 7 month uptrend at 666.72.
- › Resistance at 833.65 is regarded as the last defence for 911.81 September 2014 high.

Palladium Daily Chart

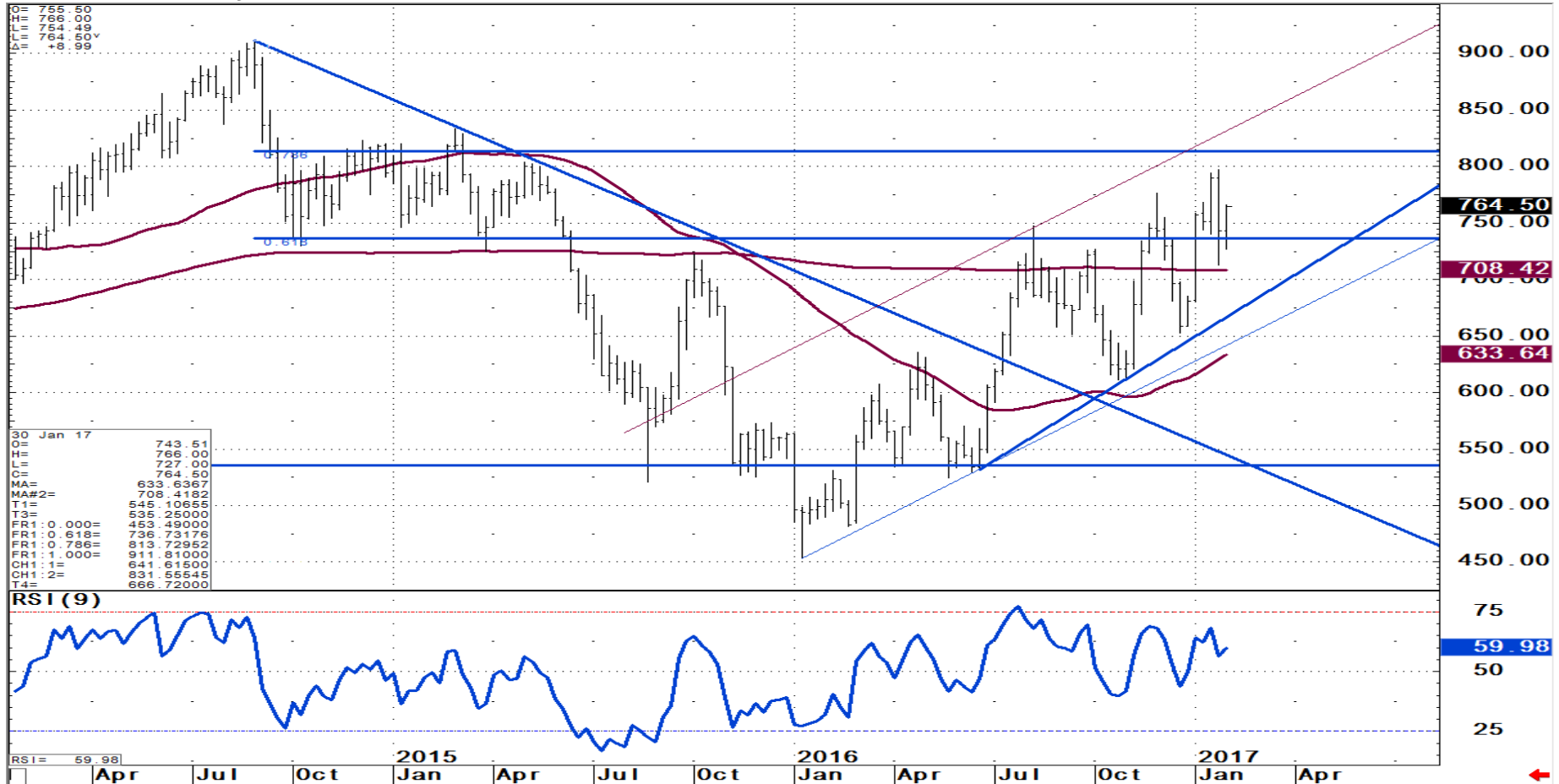


| Support | Resistance | 1-Week View | 1-Month View |
|---------|----------------|-------------|--------------|
| 727 | 776.76, 797.25 | ➔ | ➔ |
| 708 | 800, 814 | | |

Palladium - Weekly Chart

New high not confirmed by weekly RSI

Palladium Weekly Chart



Platinum - Daily Chart

Rally is side lined below 200 day ma – but is bid in its range

- Platinum is consolidating very near term below the 1014.56 200 day ma. It is side lined but remains bid above the 946.50 55 day ma. We continue to favour an upside break.
- Above 200 day ma lies the November high at 1025.51.
- A close above 1025.51 and the September 22 high would target 1070, the 22nd September high and the 61.8% retracement at 1080.
- Nearby support lies at 944.50 the mid January low, and the market should remain under pinned now by the February low at 906.50 and the 78.6% Fibonacci retracement at 891.39. The recent low also lies at 886.

Platinum Daily Chart



| Support | Resistance | 1-Week View | 1-Month View |
|---------------|----------------|-------------|--------------|
| 948/44.50 | 1014.56/1025.5 | ➔ | ➔ |
| 906.50&900.74 | 1070 | | |

Platinum - Weekly Chart

Has reversed from the 891.39 Fib.

Platinum Weekly Chart





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