

Global Research

Gold & Silver Marketwatch

Daily Update

Strategist Contact Information

Russell Browne - russell.browne@scotiabank.com

Trading Contacts

Reuters MMCN or (212)225-6200

Stephen Abbriano - stephen.abbriano@scotiabank.com

Robert Lockwood - robert.lockwood@scotiabank.com

Thursday, August 22, 2013

Market Commentary

Gold once again consolidated overnight before opening flat today at 1370.00/1371.00. Price touched a low of 1366.00/1367.00 early on, before advancing to a high of 1381.50/1382.50 on higher than expected US Jobless claims. The metal settled to close the session at 1371.00/1372.00.

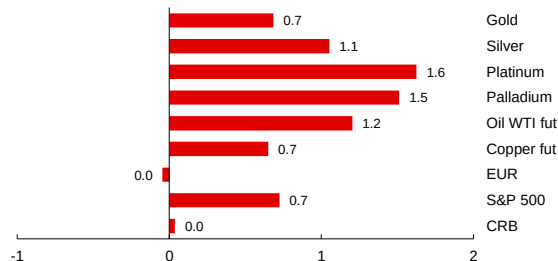
Silver opened higher at 23.19/23.24 and peaked at 23.31/23.36 by midmorning. Price eased off its high as equities recovered after yesterday's rout, closing the day at the session low of 23.02/23.07.

Technical Commentary

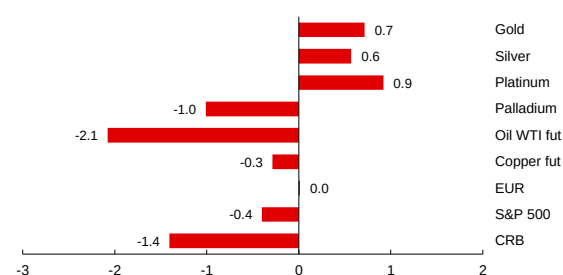
Gold is closing higher today at 1372. The market has been consolidating the move the past two weeks from 1273 to 1384. We are bullish Gold while it stays above former pivot 1348. The initial target comes in at 1416 from the 38.2% Fibonacci correction of the 2013 down move (1795 to 1182).

Silver is higher today at 23.06. We are very bullish Silver with initial topside 38.2% target of 24.79 followed by multi year pivot 26.10. Only a close back below 22.00 would dampen our enthusiasm for the metal. The Gold Silver Ratio is lower today to 59.50. We see the ratio consolidating the recent drop from 67.41 to 58.63. Big picture we believe the multi month up move is over and the risk has shifted for another drop toward 50.00.

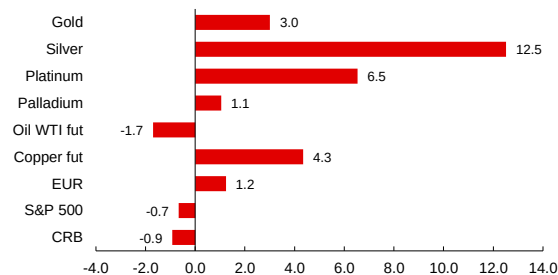
1-Day Commodity Moves (%)



5-Day Commodity Moves (%)



1 Month Commodity Moves (%)



8/22/13 15:23 (last updated) Source: Bloomberg

Notable Ranges & Technical Levels

	Gold	Silver	Platinum	Palladium
Open	1370.00/1371.00	23.19/23.24	1,515.55	743.95
High	1381.50/1382.50	23.31/23.36	1,541.53	755.35
Low	1366.00/1367.00	23.02/23.07	1,503.90	740.90
Close / Last Mid*	1371.00/1372.00	23.02/23.07	1,540.40	755.30
London Fix AM	1,370.50	23.07	1,519.00	750.00
London Fix PM	1,375.50	NA	1,518.00	749.00
Handy Harman (Base)	1,375.50	23.115	1,518.00	749.00
Gold / Silver Ratio	59.62	NA	NA	NA
Open Interest	Gold OI		Silver OI	
COMEX	381,781		131,397	
CBOT	393		287	
Total	382,174		131,684	

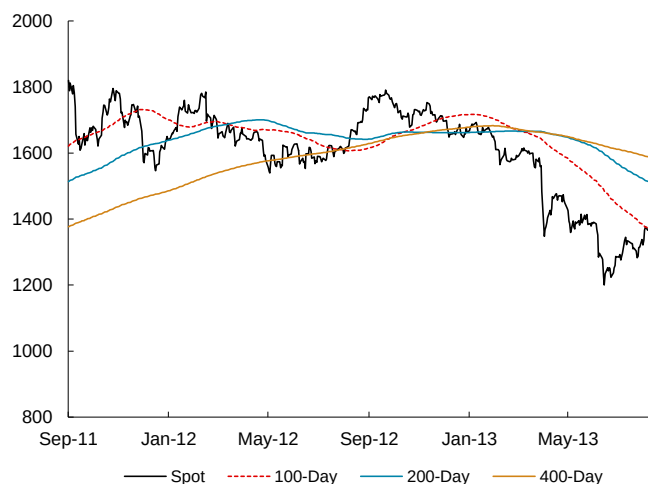
Technical Levels

	Gold	Silver	Platinum	Palladium
Pivot	1,371.13	22.990	1,529	750.48
Primary Support (Buy)	1,360.22	22.607	1,516	745.62
Primary Resistance (Sell)	1,386.97	23.507	1,553	760.07
HBOP	1,413.72	24.407	1,591	774.52
LBOP	1,333.47	21.707	1,478	731.17
Bollinger Band Upper	1,389.38	23.981	1,554	762.65
Bollinger Band Mid	1,332.79	21.093	1,479	739.47
Bollinger Band Lower	1,276.20	18.205	1,403	716.30
Relative Strength 9 Day	68	78	74	61
Relative Strength 14 Day	63	72	70	59

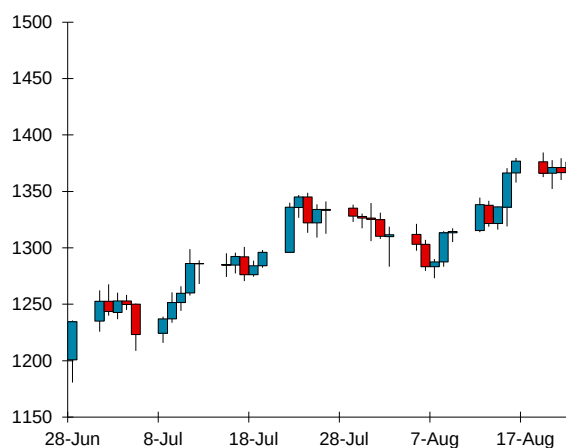
Close/last mid refers to the spot closing floor price in gold and silver, and spot's last mid price as provided by Bloomberg in platinum & palladium spot. All other data provided by Bloomberg. Actual market levels may differ.



Gold: 2-Year Close with Moving Averages (\$/oz)



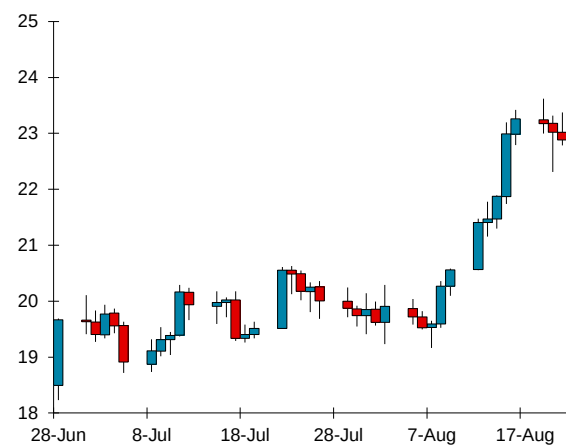
Gold: 2-Month Candlesticks (\$/oz)



Silver: 2-Year Close with Moving Averages (\$/oz)



Silver: 2-Month Candlesticks (\$/oz)



Source: Bloomberg (may differ from market spot prices)

Moving Averages

	Gold	Silver	Platinum	Palladium
5 Day MA	1,371.38	23.092	1,522	752.30
10 Day MA	1,353.37	22.376	1,513	748.14
20 Day MA	1,332.79	21.093	1,479	739.47
30 Day MA	1,323.73	20.717	1,462	739.38
60 Day MA	1,320.09	20.690	1,436	723.80
100 Day MA	1,367.84	21.969	1,452	718.25
200 Day MA	1,509.50	26.334	1,533	719.85
400 Day MA	1,586.10	28.627	-	-

FX Majors

CAD	1.0521
EUR	1.3349
GBP	1.5582
CHF	0.9239
AUD	0.9005
ZAR	10.3075
JPY	98.6100
as of:	8/22/2013 15:23

Markets

CRB	288.34
DJAIG	129.00
Crude (fut)	105.10
S&P 500	1654.69
US 10 Yr	2.90
US 30 Yr	3.88
CDN 10 Yr	2.75
as of:	8/22/2013 15:23

This report has been prepared on behalf of Scotiabank and is not for the use of private individuals. The Scotiabank trademark represents the precious metals business of The Bank of Nova Scotia. Scotiabank, together with "Global Banking and Markets", is a marketing name for the global corporate and investment banking and capital markets businesses of The Bank of Nova Scotia and certain of its affiliates in the countries where they operate. The Bank of Nova Scotia, a Canadian chartered bank, is incorporated in Canada with limited liability. Opinions, estimates and projections contained herein are subject to change without notice. The information and opinions contained herein have been compiled or arrived at from sources believed reliable but no representation or warranty, express or implied, is made as to their accuracy or completeness. Neither The Bank of Nova Scotia, its affiliates, employees or agents accepts any liability whatsoever for any loss arising from the use of this report or its contents. The Bank of Nova Scotia, its affiliates, employees or agents may hold a position in the products contained herein. This report is not a direct offer financial promotion, and is not to be construed as, an offer to sell or solicitation of an offer to buy any products whatsoever. This market commentary is regarded as a marketing communication. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research. The Bank of Nova Scotia is authorised and regulated by the Office of the Superintendent of Financial Institutions Canada and the Investment Industry Regulatory Organisation of Canada. Authorised by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available on request.

