

20th Feb, 2012

RSBL SPOT -Daily Market Alert

Market Commentary

- Gold opened a little higher at 1730.75/1731.75 and reached its intraday high of 1735.25/1736.25 quickly after. Profit taking as the EUR began to lose upward momentum took the metal lower, eventually reaching 1716.75/1717.75 mid morning. Recovering with renewed buying interest as the EUR stabilized and equities gained, gold closed the week at 1723.75/1724.75.
- Silver opened higher at 33.50/33.55 and reached its intraday high of 33.66/33.71 quickly after as well. Tracking base metals, silver slid lower as profit taking took the metal to its intraday low of 33.04/33.09 mid session. The metal ended the week at 33.20/33.25.

Technical Commentary:

- Gold closed the week at 1723/24, forming another virtual doji in the weekly candlestick charts. We have had 3 consecutive near-doji in the charts now. There is key resistance at 1763, the most recent top, and key support from the long-term uptrend around 1565. Closer by, there is uptrend support from the daily chart around 1710. We would turn bearish on a clear break of the low 1700's
- Silver had a small down week in the candlestick charts, closing at 33.20/25. Resistance sits at 34.54, the most recent top and key support at 29.12, the 50% retracement of the 2008 to 2011 uptrend. Strong support at 33.00 also remains a hurdle on the downside. The Gold-Silver ratio closed higher on the week, but remains in a sideways trend.

Technical Levels for 20th Feb, 2012:

Metal	Support (\$/oz)	Resistance (\$/oz)
Gold	1,710.80	1,743.69
Silver	32.797	34.094

Economic Calendar:

Date	Economic Indicator	Country	Actual	Forecast	Previous	Effect & Remarks
17 th Feb	Core CPI m/m	USA	0.2%	0.2%	0.1%	As Actual = Forecast = No effect for currency. Change in the price of goods and services purchased by consumers, excluding food and energy.

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