

# Bullion Weekly Technicals

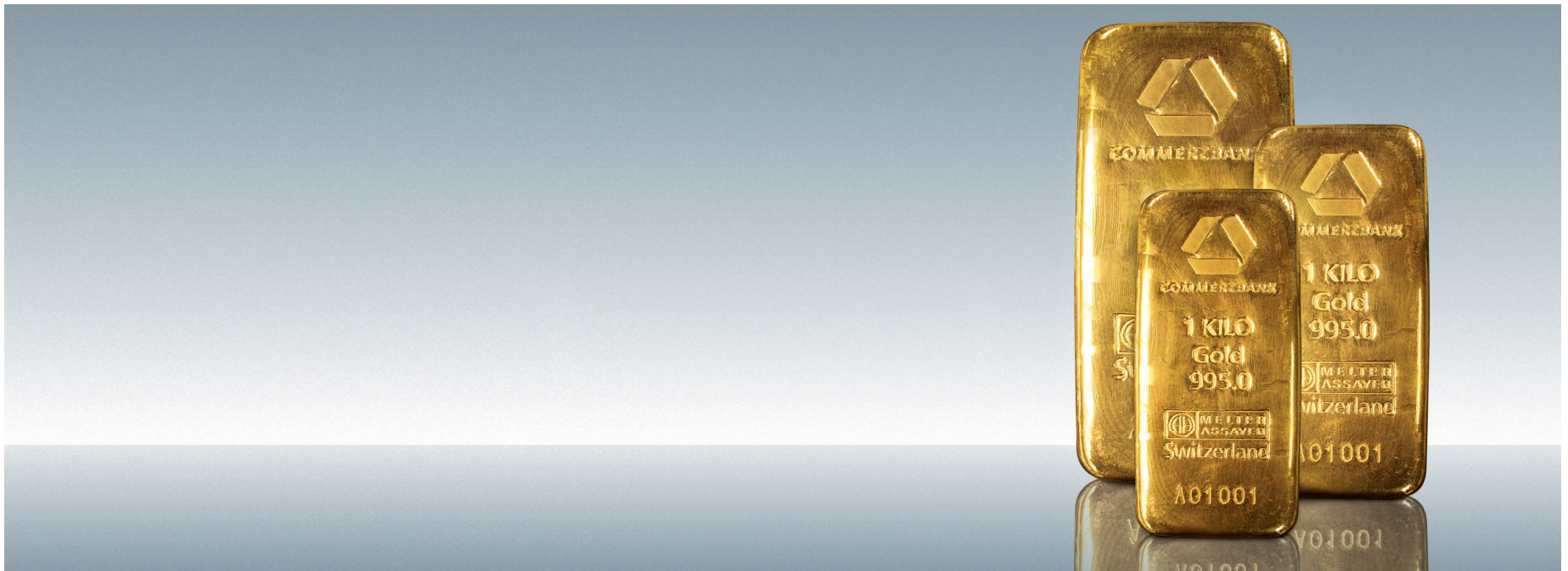
Monday, 24 November 2014

## Technical Outlook

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## Technical Outlook

Gold and silver's corrections higher look to be faltering

Market	Short term view (1-3 weeks)
Gold:	Corrective rebound has faltered ahead of the 55 day ma and we suspect will fail here.
Silver:	Rally has reached its initial corrective target 16.60/65, and we look for failure.
Gold/Silver Ratio:	Divergence of RSI still suggests caution.
Palladium:	Bid in range, but expected to falter well ahead of range high at 811.51.
Platinum:	Consolidates above the 61.8% Fibonacci retracement at 1186.51, remains near term upside corrective

# Spot Gold

Corrective rebound has faltered ahead of the 55 day ma and we suspect will fail here.

- Gold's corrective rebound is poised to encounter its 55 day moving average at 1210.18. Given the 61.8% retracement of the sell off from October lies at 1208.33 and the intraday Elliott wave counts are indicating that this is the end of the corrective rally, we will look for imminent failure. Support is in a band 1175.67/1164.52, which is the location of the short term support line and also the 19<sup>th</sup> November low. In this vicinity we also find the 1156.55/1154.71 July 2010 low and the 61.8% retracement of the entire move up from 2008. Failure here should be enough to trigger losses to the current November low at 1131.85.
- The next higher 38.2% Fibonacci retracement and the June low at 1231.44/1240.89 should act as additional strong resistance directly above the market. The market will remain in bear mode while capped by the 1255.61 October high.
- Once gold has slipped back below 1131.85, ongoing weakness to the 1092 long term pivot (see quarterly chart on the next slide) should be seen. We would allow for this to hold the initial test. Failure here will target 1000.

Support	Resistance	1-Week View	1-Month View
1175.67/164.52	1208.33/210.18	➡	➡
1146.70/1131.8	1231.4&1240.9		

## Gold Daily Chart



# Gold - Longer term view is negative

Downside targets come in at 1092/1086



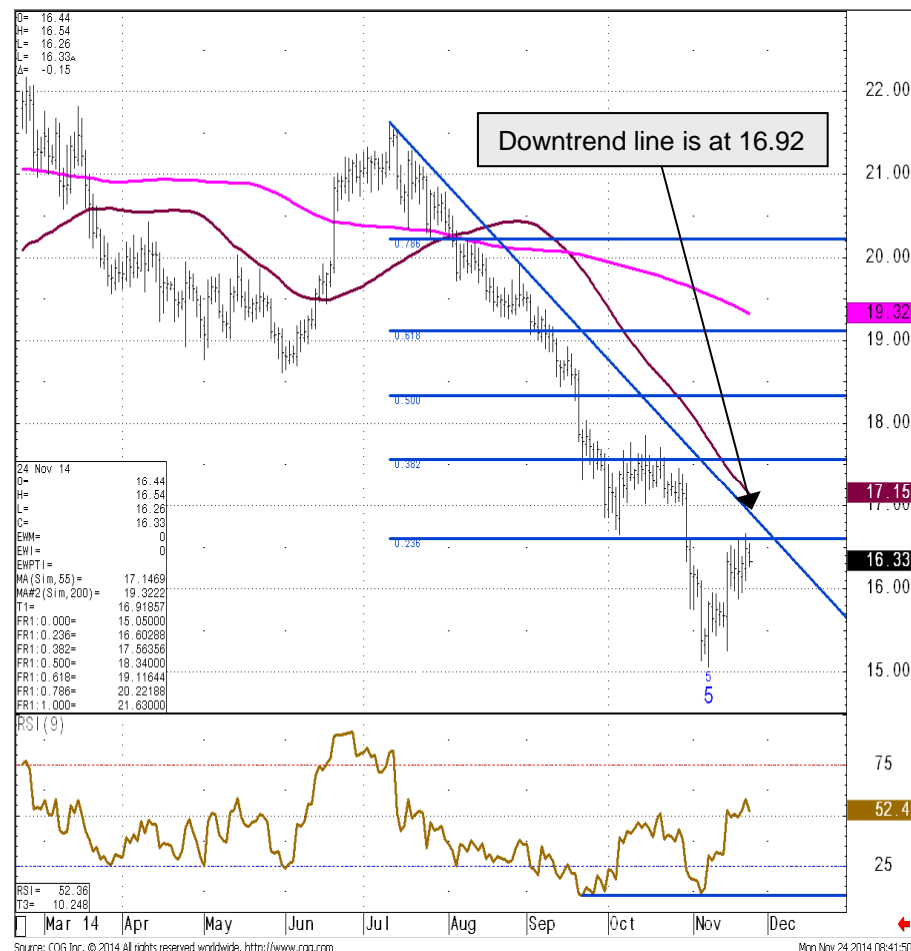
## Silver - Daily Chart

Rally has reached its initial corrective target 16.60/65, and we look for failure.

- › The silver market has reached the 23.6% retracement of the move down from July and the October low and the early October low at 16.60/65 and has stalled. The Elliot wave count on the intraday chart is suggesting that this is the end of the corrective rally and we will look for failure here.
- › The four month downtrend line is found at 16.92 and together with the 55 day moving average at 17.15, and reinforces resistance here. Stronger resistance is offered by the 17.85 mid-October high.
- › Loss of 15.88 should be enough to suggest a retest of the recent 15.05 low, below here lies the 14.63 2010 low point.
- › In case of a slip through it being seen, there is scope for the 13.95/78.6% retracement of the entire move from the 2001 low to be reached, but we would expect to see the down move terminate ahead of here.

Support	Resistance	1-Week View	1-Month View
15.88	16.60/65	➡	➡
15.26/05	16.92/17.15		

Silver Daily Chart



# Silver – Weekly Chart

Bounces off the current November low at 15.05

Silver Weekly Chart



## Gold/Silver Ratio - Daily Chart

Divergence of RSI still suggests caution

- › The gold/silver ratio widened to 74.50 in early November. There is no change in our view, the Elliott wave count continues to suggest that this is the end phase of the up move and we note the divergence of the RSI – the market has also eroded its short term uptrend. This increases the risk that the market is topping however we remain unable to rule out an extension to 75.00 and then the 77.00/10 upside measured target from the ascending triangle that completed in September 2014.
- › Nearby support lies at 72.18/85, this will need to be eroded to further alleviate immediate upside pressure and refocus attention on to 70.70, the end of October low. Key support remains the 67.35 May high.

Gold/Silver Ratio Daily Chart





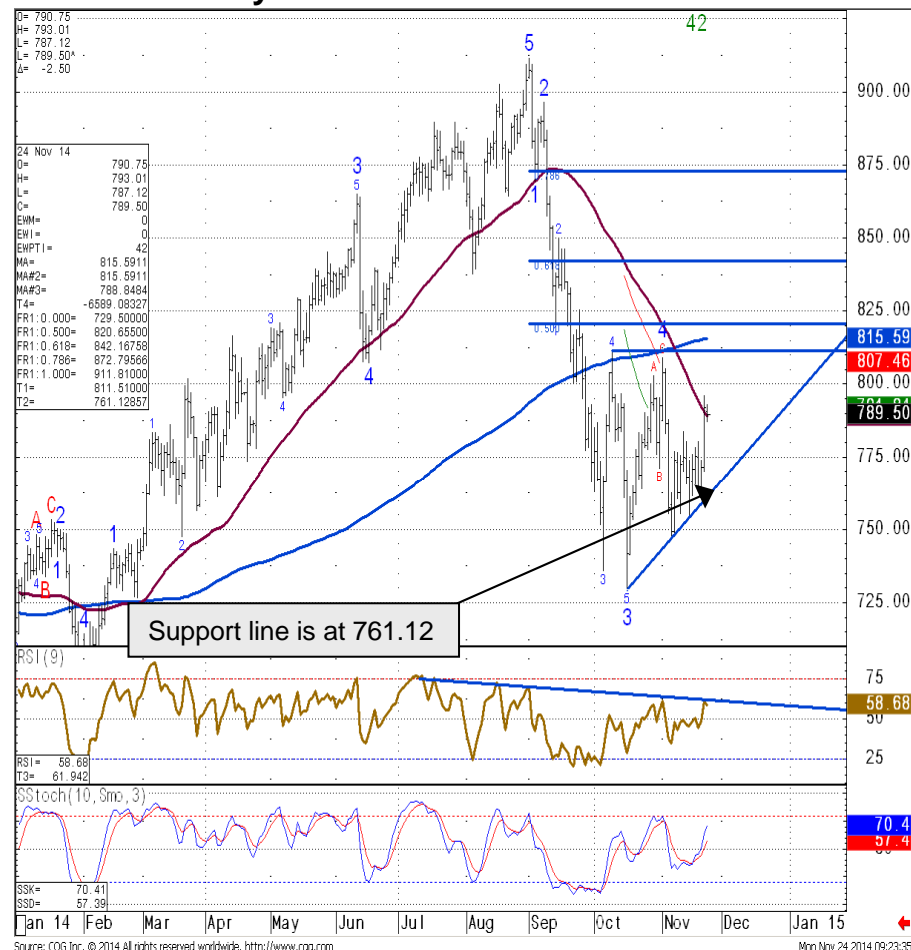
## Palladium - Daily Chart

Bid in range, but expected to falter well ahead of range high at 811.51.

- While we acknowledge that Palladium is bid in its trading range and above the 775.00 level, there is little indication that the market possesses enough momentum to clear the top of its trading band - 811.51/729.50 or indeed the 200 day moving average at 815.59.
- Palladium is regarded as offered while capped by the 809.00/811.50 October and current November highs and only above the 200 day ma would call our bearish bias into question (not favoured).
- Below 729.50 lies the 200 week ma at 723.65 and below it the 696.50 February low.
- A slip through 696.50 will target the 679.00 61.8% retracement of the move up from 2011.

Support	Resistance	1-Week View	1-Month View
737.72/723.65	792	➔	➡
696.5&679.00	796.49&811.51		

Palladium Daily Chart





# Palladium – Weekly Chart

Correction above the 2008-14 uptrend line at 740 is ongoing

## Palladium Weekly Chart



## Platinum – Weekly Chart

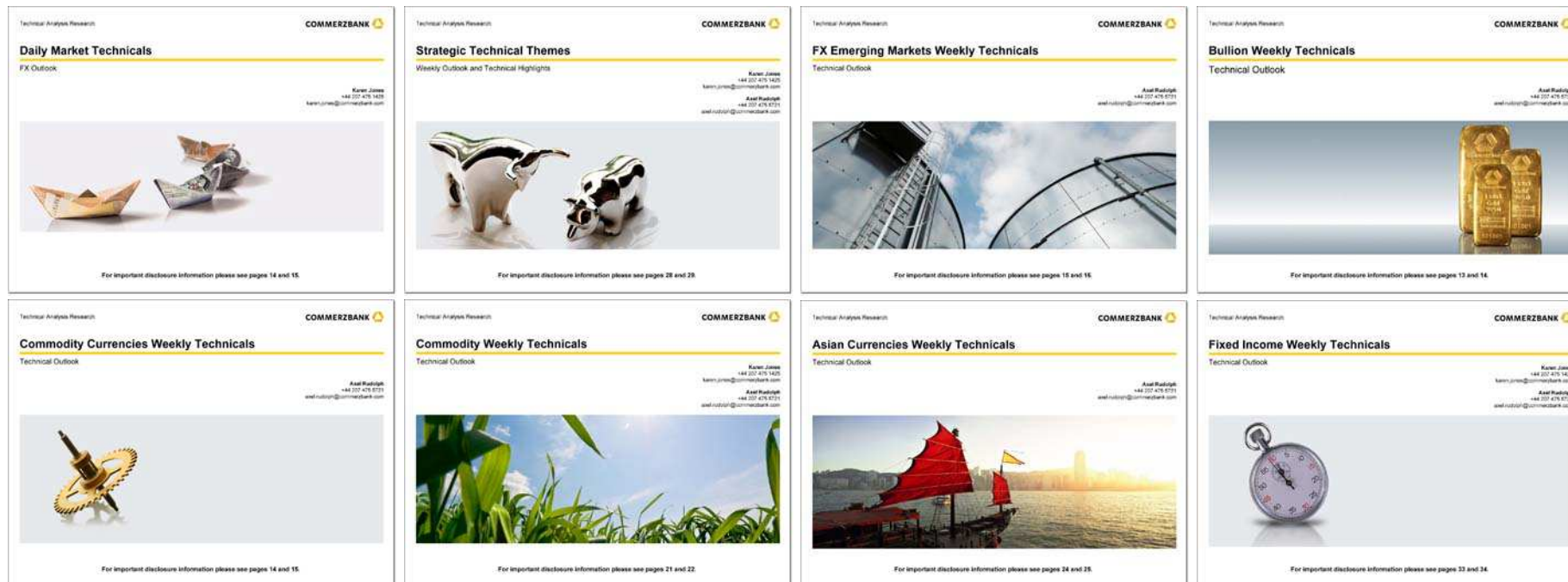
Consolidates above the 61.8% Fibonacci retracement at 1186.51, remains near term upside corrective

- Platinum is consolidating above the 61.8% retracement of the entire move up from 2008 at 1186.51. The correction is trying to erode the 3 month downtrend, however we have yet see a close above here (1232 today). Nonetheless the correction higher does not yet look complete and we would allow for further attempts towards the 1264/23.6% retracement of the sell off from July and the 55 day ma at 1274.
- While the correction makes no impact whatsoever on the previous 1288 June 2013 low, we will continue to assume a bearish bias.
- Below 1180 will trigger losses to the 1084.50 2009 low.

Support	Resistance	1-Week View	1-Month View
1186/1174	1264/74	➔	➡
1150.50	1288.1&1298.5		

Platinum Weekly Chart





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