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Gold

	Bid	Offer
Gold AUD	$1,705.99	$1,706.49
Gold USD	$1,354.31	$1,354.55
CME VWAP Au	$1,341.56	
CME VWAP Ag		16.96
Week ending 6 Feb Au	$1,348.76	
Week ending 6 Feb Ag		$17.28

Week ending 30 Jan

	52 week high (US$)		52 week low (US$)	
Au	1,366.15	-0.86%	1,195.08	13.33%
Ag	18.65	-9.25%	15.19	11,44%
Pt	1,044.75	-3.95%	873.21	14.92%
Pd	1,139.68	-11.14%	741.29	36.62%

Benchmarks

Au	AM	$1,330.75	
	PM	$1,336.25	
Ag		$16.61	
Pt	AM	$973.00	
	PM	$965.00	
Pd	AM	$987.00	
	PM	$985.00	
US 10 Yr		2.911%	YTM
US 30 Yr		3.162%	YTM
Bund 10 Yr		0.754%	YTM

CME Change

Net	19,142,600	AUD	0.7938
Δ %	-12.10%	CNY	6.4684
Δ Toz	-2,316,900	EUR	1.2352
Δ Toz	-1,097,918	JPY	108.66

ETF		LME	
Global	72,008,141	CA	7,163.00
Δ %	0.05%	AH	2,177.50
Δ Toz	39,272	NI	14,100.00
Δ Toz YTD	543,385	ZN	3,567.50
			3 Month
WTI	$61.46		
BRENT	$65.07		

Gold swung close to the US$1305 target in the January 30th report before recovering against a background of Dollar weakness. Targets extend back to US$1361 – we are almost there already – US$1377, and US$1383. The big number to break is US$1366.

Support comes in at US$1310 from the weekly Ichimoku Turning Line, with deeper support at US$1301 from the Standard Line and the 50 pct. retracement of the December-January up move.

Stock volatility may reflect a transition from the great boost given by earnings revisions in January post tax cuts, back to focussing on inflation, or the pace of tightening, or weak retail sales... a commentator pointed out that any data point will be seized upon as the narrative changes and uncertainty mounts.

CME positioning shows that Managed Money longs reduced by just over 10 per cent or 2.422 million Tozs in the week to the 6th of February, at a VWAP of US$1341.55. Managed Money shorts barely changed. The reduction looks like a reasonable degree of profit taking near former resistance levels; the recent nine-million increase in length since the 26th of December took place at a weighted average of US$1313 and it is notable that shorts did not get in on the act.

Since the 7th of February, open interest in the April and June CME contracts declined by 1.256 million Tozs, suggesting more long liquidation as opposed to pronounced short selling.

Silver dropped through the supports mentioned last week and having dipped below the Weekly Cloud base at US$16.66, now rallies back on the strength of gold.

Targets in silver are US$17.46 on the upside, although price behaviour is rather negative overall and the ratio looks like moving to 82-83.

CME positioning shows that Managed Money longs sold 58.075 million Tozs and Managed Money shorts sold 59 million Tozs in the week ending the 6th of February at a VWAP of US$16.96. With the silver price rebounding, it may be that those recent shorts come under pressure soon.

The departure of Jacob Zuma has sent the Rand higher and platinum higher with it. Look for US$1019 and US$1044. Look for platinum to strengthen to 1.06-07 versus palladium.

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