



Weekly Newsletter of August 2nd, 2011 Commodities

PRECIOUS METALS, Gold (\$1618): weekly indicators are strong up and monthly indicators are up. Medium term is positive and gold will reach in the Q4 2011 the critical resistance area of 1750-1800. In the absence of negative divergences and if price breaks that level into force, gold could extend rapidly toward 2000 psychological mark by Q1 2012. A significant intermediate top could then be reached in the Q1 2012. Intermediate supportive uptrend line is at 1510. Next support is at 1430. Monthly critical support level is at 1345. Critical support level for long term trend is at 1040. Gold price action is still acting within a rocket mode and my projection of 3500-3600 still holds as major price target between 2014 and 2016. **Accumulating gold on any weakness as a core holding is highly recommended until final extension. Intermediate trend is up. Primary trend is up.**

Silver (\$39.25): weekly indicators are positive and monthly indicators have started to reverse up. Once monthly indicators will post a fully positive reading, silver will confirm the resuming of its bull primary trend. Silver is expected to cross the 50 mark by the end of the year, reaching important resistances between 51 and 54. In case of a successful breach of those resistances, silver could reach 73-81 in Q1 2012, forming then a significant intermediate top to be followed by a sharp intermediate correction. Silver price action also fits the typical rocket mode and my projection of \$200 remains intact as major price target between 2013 and 2016. Accumulating silver on any weakness as one of best opportunities is highly recommended until its final extension. **Intermediate trend is up. Primary trend is moderately up, eyeing full speed within September/October.**

ENERGY, Crude Oil (\$94.89): due to short term overbought situation and as Crude Oil price was unable to hold above 101.60, the positive intermediate trend couldn't be confirmed and price retreated down to the supportive uptrend line at 94.20. Next supportive uptrend line is at 91.90. Monthly critical support level is at 87.90. Price needs to break 105 and 110 to restore full positive primary trend. I recommend to wait before buying crude oil: once weekly indicators post a full positive reading and if monthly indicators have not reversed into a fully negative situation. **Intermediate trend is neutral from moderately up. Primary trend is moderately up with negative bias.**

Brent (\$116.81): Brent is holding above all its major and critical supports. Short term pivot is at 116.85. Critical monthly support level is at 94.32. I recommend to buy Brent once weekly indicators post a fully positive reading and if monthly indicators have not reversed down by that time. **Intermediate trend is moderately up. Primary trend is moderately up.**

Natural Gas (\$4.188): natural gas was unable to cross the \$4.75 level in order to restore positive short term, for that reason price reversed down. Daily indicators are down and some weekly indicators have reversed down on Monday. Price still needs to break above \$4.75 to restore fully positive intermediate trend. \$5.08 is the major resistance and \$5.97 is the long term resistance. Time will come when I will recommend buying

natural gas. Stay away for now. **Intermediate trend is neutral from moderately up. Primary trend is neutral, in the making of a major bottoming process.**

ALTERNATIVE ENERGY, DJ World Solar Index (414.24): in the absence of positive weekly indicators, price is declined below its 435 monthly support level. Some monthly indicators opened August on a negative stance, eyeing a retest of bottom level near 370. I still recommend accumulating on weakness for a long term investment. Time will come when monthly and quarterly indicators will provide a fully positive reading and buying into force will be recommended. **Intermediate trend is neutral with slight negative bias. Primary trend is neutral, with an accumulating process in the making.**

DJ World Uranium Index (823.18): index is still above its 796 monthly critical support but weekly indicators opened weaker on Monday and risk is for a short term decline toward long term support of 740. Moreover, monthly indicators opened August with a negative bias, cancelling any chance of an immediate rise. **Intermediate trend is neutral from positive. Primary trend is moderately up.**

INDUSTRIAL METALS, Copper (\$440.4): copper was unable to break above major resistance at 455-460 levels. Monday drop has triggered a sell signal on daily indicators and weekly indicators opened on a weaker stance. Monthly indicators opened August on a weaker stance also, with a heavy decline in the Momentum indicators. Price needs to reach \$485 within end of October to restore fully positive primary trend. In the meantime, price will start an intermediate correction toward \$424 and then \$392. A rapid move above \$455 is required to restore intermediate positive trend. Monthly critical support is at \$380. If copper does not recover within end of October, a major topping will be in the making. **I recommend to hedge positions. Intermediate trend has turned moderately down from up. Primary trend is up with negative bias.**

AGRICULTURE, Wheat (\$676.50): wheat is holding above its monthly critical support level of \$645 and well above the supportive uptrend line of \$575. Weekly indicators are mostly positive while monthly indicators opened August with some more weakness. **Intermediate trend is turning neutral from down, as intermediate correction is over. Primary trend is moderately up.**