

### Market Commentary

**Gold** opened at 843.50/845.50 in New York. The dollar advanced overnight against EUR as very weak inflation data makes it look likely that the ECB will cut rates next week, causing gold to slip. However, as the NY session began gold regained lost ground on light trading, finding resistance near 850.00. Profit taking caused it to dip to an intraday low of 842.75/844.75. However, the metal gathered momentum as the dollar softened on poor pending home sales and rallying equity markets, spiking to a high of 866.75/868.75. The metal came off from the highs to close at 865.00/867.00.

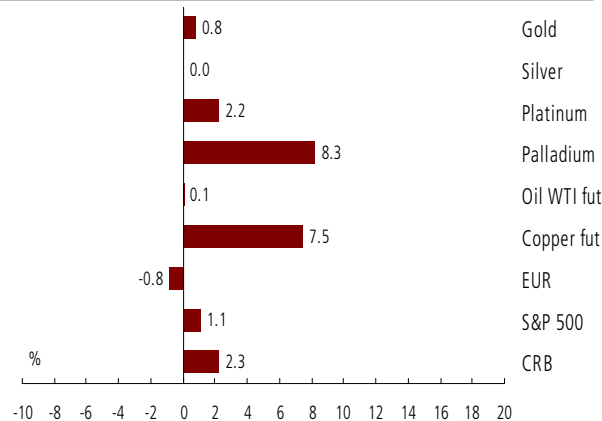
**Silver** opened at 1098.00/1103.00 and was carried higher on the back of rallying oil and copper prices, finding resistance near 1110.00. The buying continued as the session progressed, driving silver to an intraday high of 1146.00/1151.00. Light profit taking as the session unwound pushed it slightly lower, finally settling at 1140.00/1145.00

### Technical Commentary

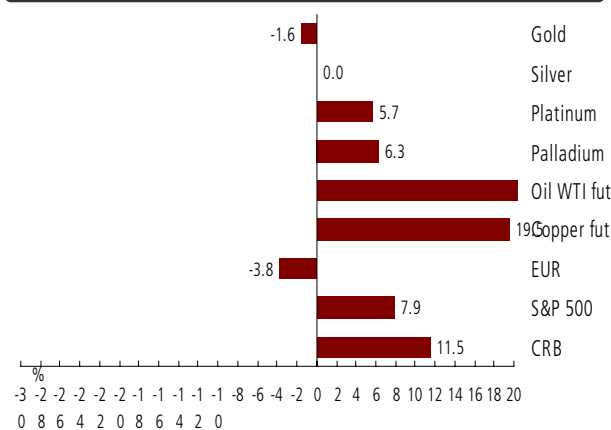
**Gold** was rejected again on the attempt to move below the 200 day moving average at 857. The unit probed as low as 842.75 before making a strong close to 867. As previously mentioned, we are bullish gold while the unit closes above key technical support at 830. We see risk for another test of the October high of 930. Short term resistance is seen at 890 from December's high.

**Silver** continues to trade in an upward channel bounded by 10.84 and 12.57. Silver bounced off downside support this morning and now looks poised to try the latest high at 11.75. Our Fibonacci target is 12.71, the 38.2% retrace of our 19.47 to 8.54 liquidation. The gold/silver ratio dropped back to 75.28 today. This area has proved very supportive for gold during December and January. Our bias is a move lower to 72.07 - only a close above 78.00 stops us out.

### 1-Day Commodity Moves



### 5-Day Commodity Moves



1/6/09 15:27 - Time above charts last updated - Source: Bloomberg

### Gold, Silver, Platinum & Palladium

	Gold	Silver	Platinum	Palladium
Open	843.50/845.50	10.98/11.03	949	185.00
High	866.75/868.75	11.46/11.51	970	200.75
Low	842.75/844.75	10.98/11.03	933	181.50
Close / Last Mid*	865.00/867.00	11.40/11.45	970	199.75
London Fix AM	844.00	10.850	945	185.00
London Fix PM	848.25	10.850	955	196.50
Handy Harman (Base)	848.25	11.210	955	196.50
Gold / Silver Ratio	78.2	NA	NA	NA
Open Interest	Gold OI		Silver OI	
COMEX	312,164		86,088	
CBOT	<u>4,774</u>		<u>2,204</u>	
Total	316,938		88,292	

### Technical Levels, etc.

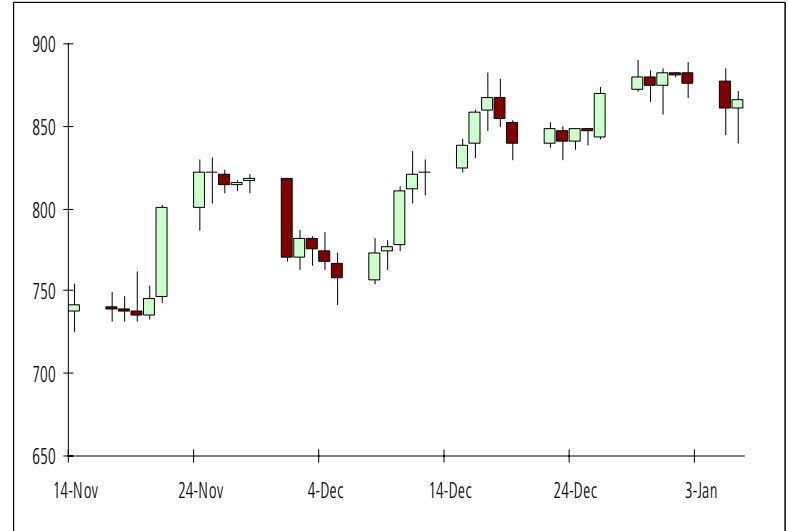
	Gold	Silver	Platinum	Palladium
Pivot	863.18	11.273	954	193.75
Primary Support (Buy)	841.72	10.797	937	186.75
Primary Resistance (Sell)	886.89	11.937	986	206.00
HBOP	932.06	13.077	1,036	225.25
LBOP	796.55	9.657	888	167.50
Bollinger Band Upper	894.80	11.767	967	194.35
Bollinger Band Mid	853.95	10.877	875	180.60
Bollinger Band Lower	813.10	9.986	783	166.85
Relative Strength 14 Day	59	62	73	61

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 have differed.

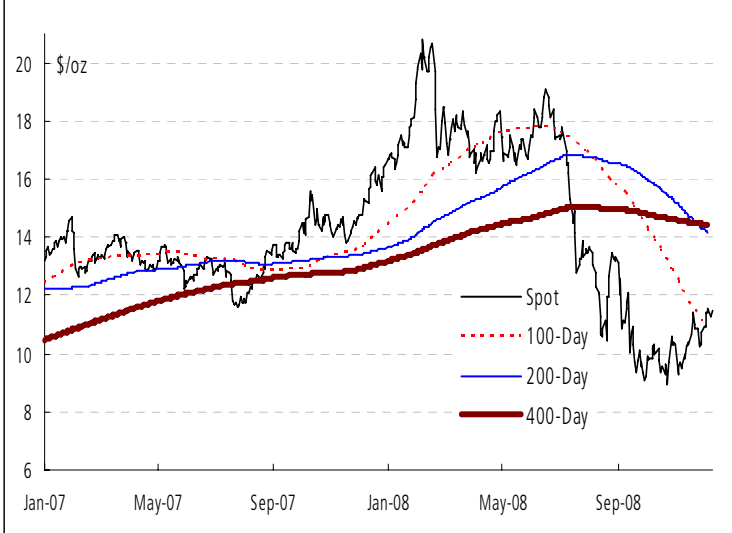
Gold: 2-Year Close with Moving Averages



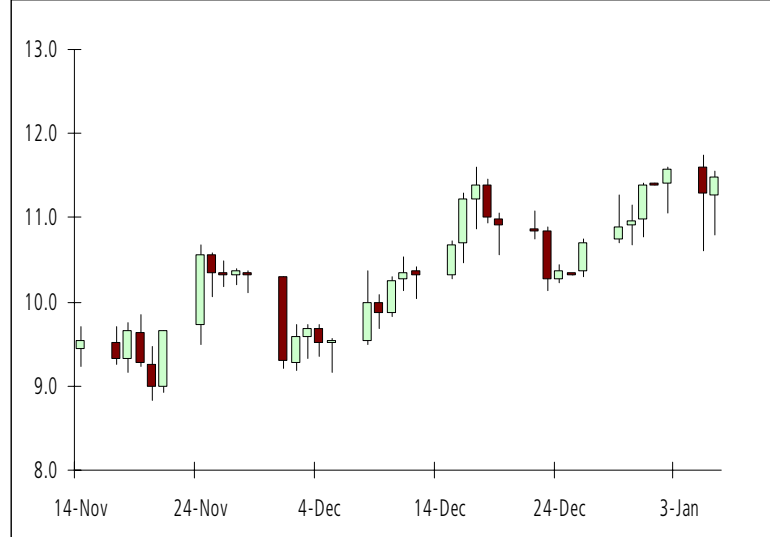
Gold: 2-Month Candlesticks



Silver: 2-Year Close with Moving Averages



Silver: 2-Month Candlesticks



Source: Bloomberg - which can differ slightly from market spot prices

Moving Averages

	Gold	Silver	Platinum	Palladium
5 Day MA	872.49	11.420	943	189.80
10 Day MA	868.07	11.037	909	183.78
20 Day MA	853.95	10.877	875	180.60
30 Day MA	830.80	10.530	861	180.73
60 Day MA	792.89	10.132	854	189.17
100 Day MA	810.48	10.988	999	212.21
200 Day MA	855.39	14.063	1,469	319.31

FX Majors

CAD	1.1830
EUR	1.3512
GBP	1.4933
CHF	1.1177
AUD	0.7239
ZAR	9.3500
JYP	93.85
as of:	1/6/2009 15:27

Markets

CRB	242.78
DJAIG	123.46
Crude (fut)	48.87
S&P 500	934.35
US 10 Yr	2.47
US 30 Yr	3.04
CDN 10 Yr	2.89
as of:	1/6/2009 15:27

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