



Technical View: Gold still vulnerable to \$1,020 before surging says MTS Research

Peter Beuttell, founder and MD, MTS Research

13 January (London): The economically-sensitive commodities are likely to follow the path of equities markets in 2010, with the potential for an important peak in late Q1 or the first half of Q2. We remain cautious of Copper until it has a meaningful correction. Gold was expected to correct into the 1,020-1,080 zone following its recent surge to above 1,200, and has already traded down to 1,074, but there remains the risk of a second corrective leg before its next bull phase.

It looks increasingly unlikely to drop beneath 1,000 again in this bull market, and should hit 1,315+ this year on its way to above 2,350, no later than 2014. Whilst Soft commodities are also vulnerable to a correction, we view them as being in the first third of a 20-30 year uptrend, and next few years should see them accelerate through the mid-point of this secular bull trend.



To arrange an interview or to speak with Peter Beuttell, please see contact details below.

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Notes to editors

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About MTS Research

MTS Research is an independent research consultancy which since 1989 has been providing specialist technical analysis of stocks and other financial instruments to buy side institutional clients across the world's major financial markets.

MTS provides a range of reports – including its weekly Global Markets Review – alongside consultancy advice catering for a number of different investment approaches from absolute or relative returns to long-only and long/short. Research focuses on the UK, Europe, Japan, the Pacific and the US, with coverage of South America and Eastern Europe planned for 2010. As well as its regular reports, MTS offers tailored research in line with clients' individual portfolio needs.

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