

# ChartWorks

PUBLISHED BY INSTITUTIONAL ADVISORS

March 10, 2010

Technical observations of [RossClark@shaw.ca](mailto:RossClark@shaw.ca)

## Mid-March Lows in Precious Metals

March has a record of producing mid-month reversals in the gold market. Most years produced highs, however five created lows.

The most constructive intermediate term pattern develops when prices fail to breakout over the high of the first five days of March. The first break tends to bottom around the 10<sup>th</sup> and is followed by a test of support within the next five business days. A successful reversal to the upside and breakout in the second half of the month produces a sustainable rally. Such examples were present in March of 2006, 2002, 1993, 1987 and 1985. This year has the opportunity to develop in that manner. **Rallies from the ‘tested low’ are normally nine to eleven weeks and in excess of 14%. Risk for traders should be limited to the “tested low”.**

*Gold: 2006, 2002, 1993, 1987 & 1985*



During the same time periods silver has outperformed gold following the breakout.

*Silver: 2006, 2002, 1993, 1987 & 1985*



### Platinum: 2006, 2002, 1993, 1987 & 1985



The opinions in this report are solely those of the author. The information herein was obtained from various sources; however we do not guarantee its accuracy or completeness. This research report is prepared for general circulation and is circulated for general information only. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in this report and should understand that statements regarding future prospects may not be realized.

Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Neither the information nor any opinion expressed constitutes an offer to buy or sell any securities or options or futures contracts. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in this report. In addition, investors in securities such as ADRs, whose values are influenced by the currency of the underlying security, effectively assume currency risk. Moreover, from time to time, members of the Institutional Advisors team may be long or short positions discussed in our publications.

BOB HOYE, INSTITUTIONAL ADVISORS  
 EMAIL [bobhoye@institutionaladvisors.com](mailto:bobhoye@institutionaladvisors.com)  
 WEBSITE [www.institutionaladvisors.com](http://www.institutionaladvisors.com)