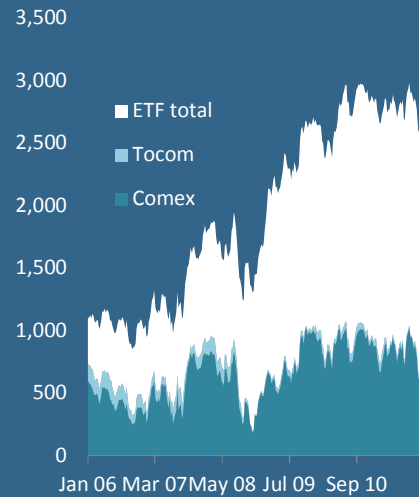
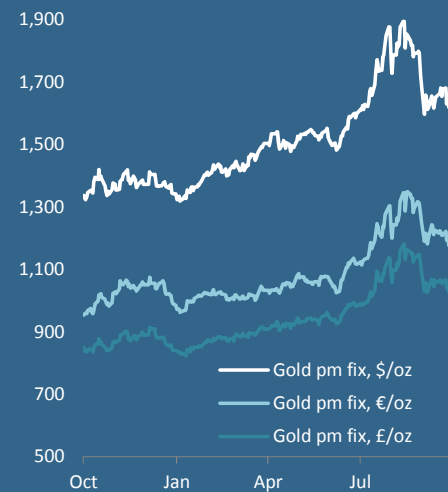


Rot stops in PGMs; gold and silver down

All gold investment, Jan 2006-Oct 2011, tonnes



Gold price in various currencies, past year



Gold investment (ounces)

Futures & Options	Comex net long futures				TOTAL COMEX	Tocom	TOTAL FUT&OPT
	Futures Large	Futures Small	Options Large	Options Small			
11-Oct-11	13,450,200	3,397,600	3,352,000	198,100	20,397,900	1,333,742	21,731,642
18-Oct-11	12,697,800	3,217,500	3,300,700	200,700	19,416,700	1,416,896	20,833,596
Change	-752,400	-180,100	-51,300	2,600	-981,200	83,155	-898,045

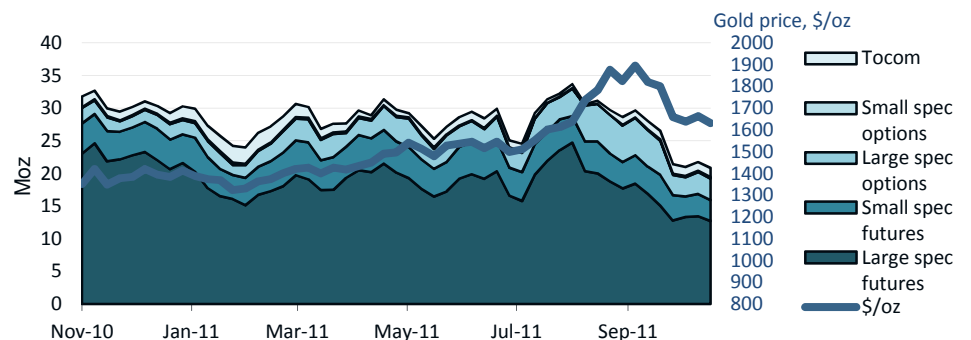
ETFs	SPDR	IAU Comex & US ETFs	UK GBS & ETFs	Australia - GBS (ASX)	S.Africa - New Gold	Swiss ZKB & Julius Baer	Other ETFs*
14-Oct-11	39,465,716	6,284,465	8,093,359	473,457	1,377,430	10,055,988	6,913,657
21-Oct-11	39,465,716	6,301,049	8,114,512	473,419	1,377,390	10,096,988	6,911,263
Change	0	16,584	21,153	-38	-40	41,000	-2,394

	Total ETFs	Global total investment (futures and options to week Tuesday and ETFs, incl other ETFs, to week Friday)	Gold price \$/oz
14-Oct-11	72,664,072	94,395,713	11-Oct-11 1,663
21-Oct-11	72,740,337	93,573,933	18-Oct-11 1,631
Change	76,265	Change -819,386	Change -32

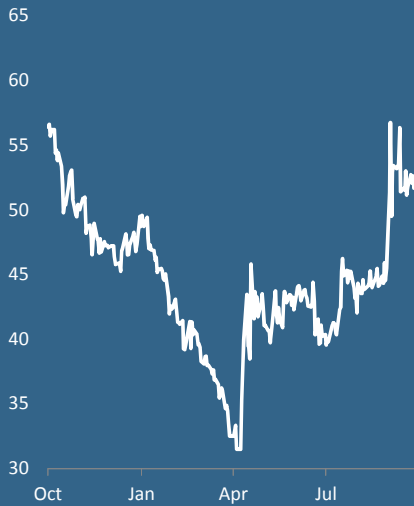
* Other ETFs include: ETF Securities' Asian gold, precious metal and white metal baskets; five Indian ETFs (updated quarterly - figures shown assumes no change in current quarter from previous quarter); Turkish; Xetra; Claymore; Sprott Physical Gold Trust; Central Fund of Canada; and Central Goldtrust.

- The rise in the Comex gold net long position last week proved a mirage as net length was cut in the week ending 18 October. Gross longs yielded 0.81 Moz and shorts gained 0.17 Moz to bring the net position down by 0.98 Moz – its lowest since mid-July 2009 at 19.42 Moz. Large spec futures saw an almost a like for like fall in longs (-0.39 Moz) and rise in shorts (+0.36 Moz), suggesting that sentiment for now is building against the gold price rally in the near-term. Small specs futures saw shorts increase by 0.18 Moz (long rose modestly in comparison).
- Despite the two-year low in net spec length, the ratio between gross longs and gross shorts remains above this year's low of 3.26, at 4.21 (week to 18 Oct), and well above lows recorded in 2009 and 2008. When coupled with the recent build-up of Puts on the CME in near-dated contract months against the build-up of Calls further out it tentatively signals that gold's longer term drivers remain intact but the short term picture is uncertain.
- ETF holdings edged higher in the week to 21 October, symbolising the longer term nature of these vehicles. Since early September Total ETF holdings have added >80,000 oz of gold, while the price has fallen alongside speculative activity. Over this seven week period Tocom has also added 0.35 Moz, while in the week to 18 October it rose 0.08 Moz.
- The gold price fell \$32/oz in the week to 18 October, to fix at \$1,631/oz. The price has since risen to trade around \$1,650/oz on 24 October.

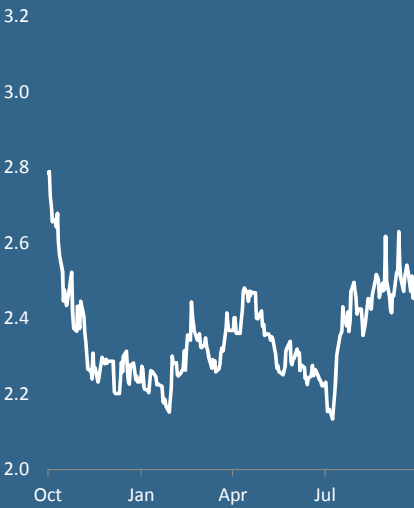
Exchange gold investment, past 12 months, ounces



Gold/silver ratio, past 12 months



Platinum/palladium ratio, past 12 months

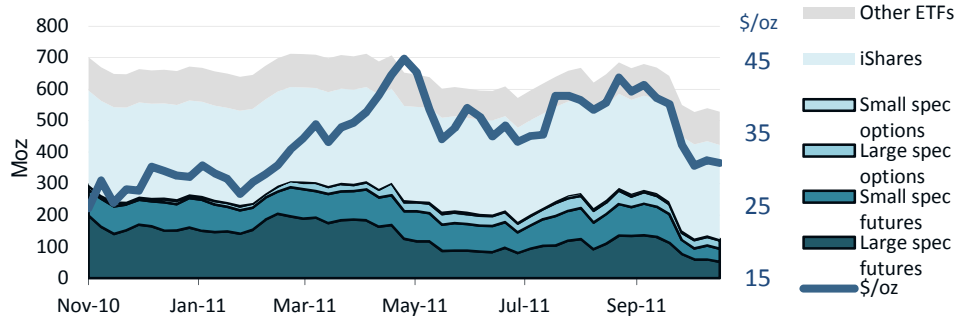


Silver investment (ounces)

Comex	Open Interest	Large Specs	Small Specs	Options net long	Total
11-Oct-11	788,220,000	59,740,000	44,400,000	32,570,000	136,710,000
18-Oct-11	800,765,000	51,760,000	42,110,000	30,750,000	124,620,000
Change	12,545,000	-7,980,000	-2,290,000	-1,820,000	-12,090,000

ETFs	Swiss/UK	US	Total ETFs	Other ETFs*	Silver price \$/oz (at end Comex date)
14-Oct-11	123,155,858	339,310,058	462,465,916	80,064,103	31.37
21-Oct-11	123,547,914	335,858,507	459,406,421	80,064,103	31.00
Change	392,056	-3,451,551	-3,059,495	0	-0.37

* Incl Claymore and Central Fund of Canada ETFs **Global total investment** **664,090,524** **Week change** **-15,149,495**

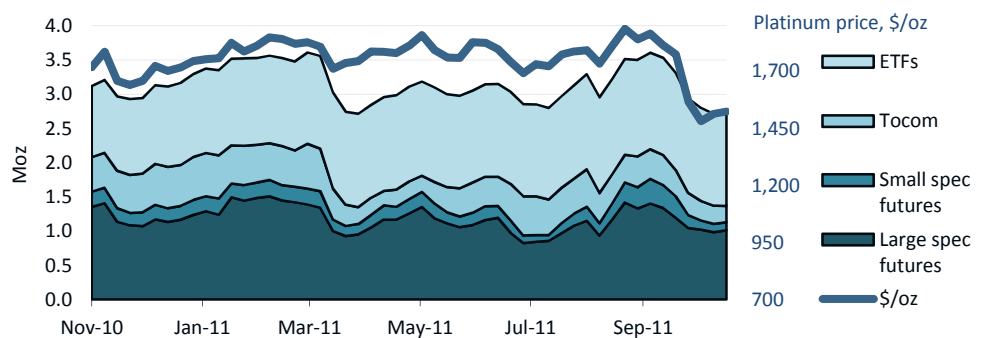


- The Comex silver was battered again in the week to 18 October, with net speculative length falling 12.1 Moz, to 124.6 Moz – it lowest since November 2008. Unlike gold, the gross long:short ratio is also at a multi-year low, suggesting that silver has fallen out of grace as a store of wealth for the foreseeable future. That said, despite this sharp speculative sell off, the silver price has held up well, declining just \$0.37/oz in the week under review, to a very healthy \$31/oz. It was trading in the morning of 24 October at ~\$31.50/oz.
- ETFs have added 11.94 Moz since early September to 21 October. In the week to 21 October holdings fell 3.06 Moz.

Platinum investment (ounces)

Nymex	Open Interest	Large Specs	Small Specs	Total	Tocom
11-Oct-11	1,925,950	983,850	121,500	1,105,350	263,789
18-Oct-11	1,882,850	1,009,000	119,700	1,128,700	238,916
Change	-43,100	25,150	-1,800	23,350	-24,873

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Platinum price \$/oz (at end Nymex date)
14-Oct-11	919,430	425,443	1,344,874	2,714,012	1,514.00
21-Oct-11	915,521	425,443	1,340,965	2,708,581	1,523.00
Change	-3,909	0	-3,909	-5,432	9

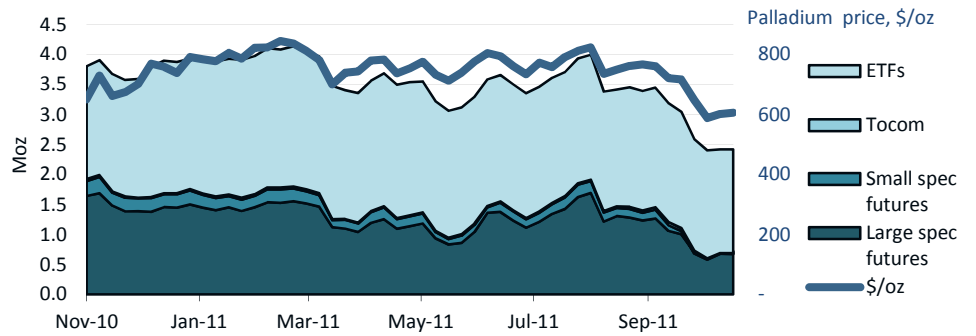


- Platinum gained for the first time in six week on Nymex, with the net long position up 23,350 oz, to 1.13 Moz. Large specs added 25,150 oz, while small specs fell 1,800 oz.
- ETF holdings fell 3,909 oz, to the lowest since mid-July, at 1.31 Moz. Since early September holdings have declined by 79,506 oz, with the US ETFs product accounts for 69% of the outflow and UK ETFs 29%.
- The platinum price rose \$9/oz, to fix at \$1,523/oz on 18 October. Prices traded at a similar level in the morning of 24 October.

Palladium investment (ounces)

Nymex	Open interest	Large Specs	Small Specs	Total	Tocom
11-Oct-11	1,906,700	695,300	(21,400)	673,900	14,902
18-Oct-11	1,939,800	716,200	(46,900)	669,300	16,413
Change	33,100	20,900	-25,500	-4,600	1,511

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Palladium price \$/oz (at end Nymex date)
14-Oct-11	1,021,409	707,518	1,728,928	2,417,729	602.00
21-Oct-11	1,021,409	707,518	1,728,928	2,414,640	606.00
Change	0	0	0	-3,089	4



- Nymex palladium fell modestly in the week to 18 October, declining by 4,600 oz, to 0.67 Moz.
- ETFs were unchanged. Since early September holdings have shed 254,991 oz, with the US ETFs products accounting for 84% of the outflow.
- The palladium price rose \$4/oz, to fix at \$606/oz on 18 October. Prices have since edged higher, to ~\$630/oz, in the morning of 24 October

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