

British Pound Gold (637.949, 652.879, 637.949, 652.879, +22.4907)

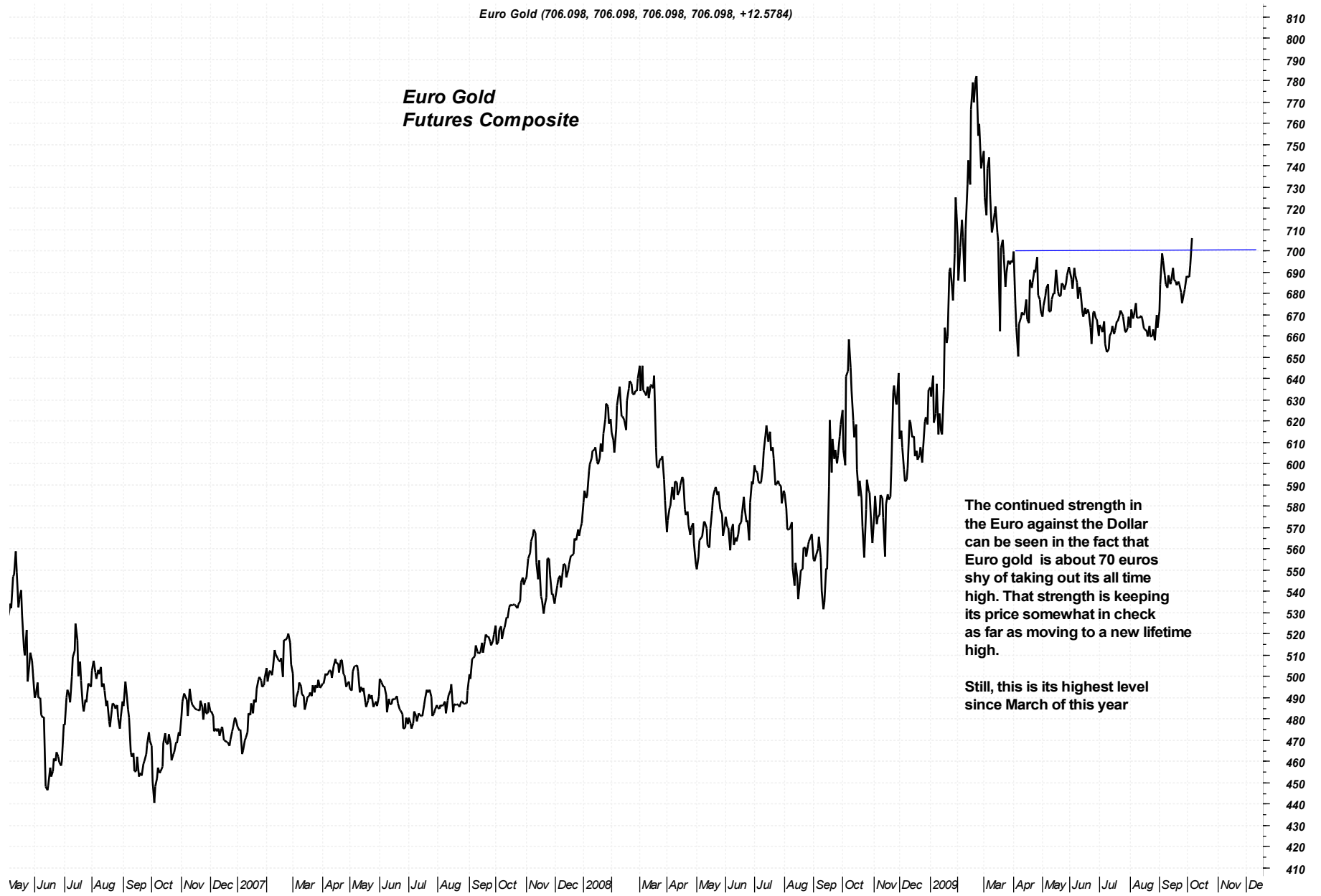
British Pound Gold Futures Composite

*That BP Gold is 40 sterling short
of taking out its all time high is
a testimony to the devaluation
of the Pound*



Euro Gold (706.098, 706.098, 706.098, 706.098, +12.5784)

**Euro Gold
Futures Composite**



The continued strength in the Euro against the Dollar can be seen in the fact that Euro gold is about 70 euros shy of taking out its all time high. That strength is keeping its price somewhat in check as far as moving to a new lifetime high.

Still, this is its highest level since March of this year

Japanese Yen Gold (0.090964, 0.092197, 0.090964, 0.092197, +0.002329)

Japanese Yen Priced Gold Futures Composite

*Considering how strong the Yen has been on
the crosses, Yen priced gold still has a most
impressive chart*

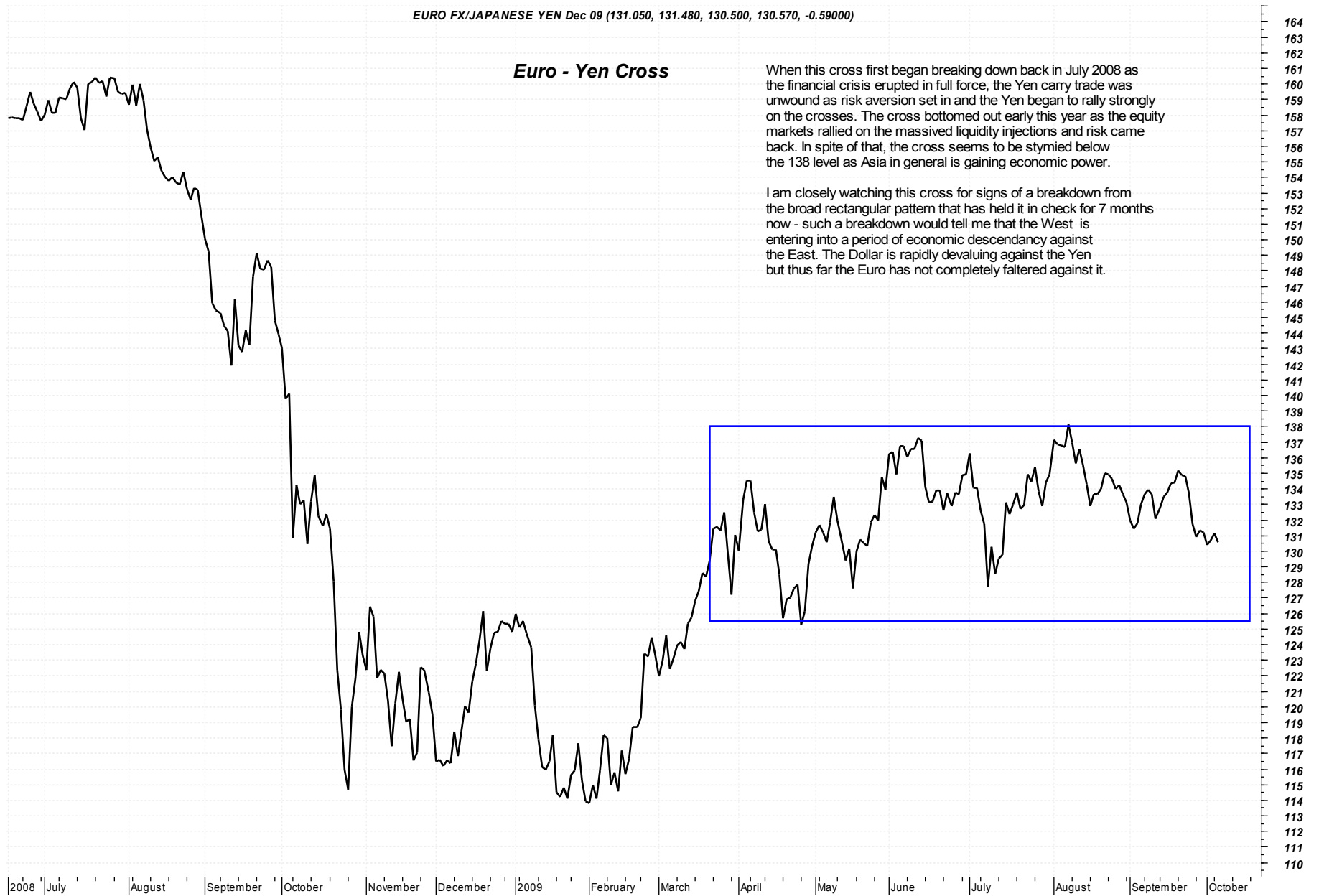


EURO FX/JAPANESE YEN Dec 09 (131.050, 131.480, 130.500, 130.570, -0.59000)

Euro - Yen Cross

When this cross first began breaking down back in July 2008 as the financial crisis erupted in full force, the Yen carry trade was unwound as risk aversion set in and the Yen began to rally strongly on the crosses. The cross bottomed out early this year as the equity markets rallied on the massived liquidity injections and risk came back. In spite of that, the cross seems to be stymied below the 138 level as Asia in general is gaining economic power.

I am closely watching this cross for signs of a breakdown from the broad rectangular pattern that has held it in check for 7 months now - such a breakdown would tell me that the West is entering into a period of economic descandancy against the East. The Dollar is rapidly devaluing against the Yen but thus far the Euro has not completely faltered against it.



GOLD BUGS NDX (410.370, 443.860, 410.370, 439.080, +28.7100)

HUI

*Needs a closing push through
the 450 level to clear the path
for a run at 470*

