

Friday 9 January 2009

PRESS NOTICE

LBMA FORECAST CONTRIBUTORS SEE AVERAGE PRICE OF \$881 FOR GOLD IN 2009

Following are tables summarising the results of *Forecast 2009*, the LBMA's annual survey of opinions from precious metal participants on the direction of prices for the coming year. A total of 25 contributors have given us their estimates for the high, low and average price for 2009 for gold, silver, platinum and palladium, based on the London fixings, with a brief commentary on the major influences and activity for each metal covered.

Given the upheavals of the last six months, it is not surprising that the forecast prices are mixed. Gold is the only metal where the forecast average has increased from 2008, and the range of prices indicates another volatile year for gold. In gold, the forecast average has increased only slightly from 2008's average of \$862.33 to \$880.74 and in silver the average has dropped slightly from \$15.174 to \$11.578. However, forecast averages for PGMs have fallen sharply, in platinum from \$1,557.45 to \$995.60 and in palladium from \$376.86 to \$217.89.

Last year the most bullish forecasters for gold rightly predicted that the metal would hit above the \$1,000 mark, which it did for three days in March (record high of \$1,023.50). This year, 75% of forecasters expect gold to hit record highs again, with a predicted average high of \$1073.54. However, as in 2008, prices are expected to also reach an average low of \$721.46. In silver, the most optimistic forecasters last year felt that the market would reach the \$20 mark – however, the actual high for silver of \$20.92 surpassed last year's forecast high of \$15.174. This year, the most bullish contributors in silver are again expecting the market to reach the \$20 level. In platinum, however contributors are predicting only \$1263.25 as the average high. In palladium, contributors see the market reaching its peak at \$291.20.

The full survey, including the commentaries, will be published next week and will also be posted on the LBMA website at:

<http://www.lbma.org.uk/publications/cover.html>

For further information please contact Stewart Murray, Chief Executive, on Tel. 020 7796 3067 or Fax. 020 7796 2112.

The London Bullion Market Association



Gold						
	Name	Company	City	High	Low	Average
1	Allidina, Hussein	Morgan Stanley	New York	1,100	750	950
2	Bhar, Robin	Calyon	London	975	775	890
3	Biondi, Adrien	Commerzbank International	Luxembourg	1,050	800	950
4	Christian, Jeffrey	CPM Group	New York	1,200	750	826
5	Cooper, Suki	Barclays Capital	London	1,000	720	840
6	Davis, David	Credit Suisse Standard Securities	Johannesburg	1,080	735	898
7	De Wet, Walter	Standard Bank	London	1,080	750	915
8	Hochreiter, Rene	James Allen	Johannesburg	750	600	675
9	Jansen, Michael	JP Morgan	London	1,100	725	825
10	Kendall, Tom	Mitsubishi Corporation	London	985	725	880
11	Klapwijk, Philip	GFMS Ltd	London	1,260	780	970
12	Murenbeeld, Martin	Dundee Economics	Vancouver	1,150	755	945
13	Norman, Ross	TheBullionDesk.com	London	1,275	720	988
14	Panizzutti, Frederic	MKS Finance	Geneva	1,180	720	901
15	Reade, John	UBS Investment Bank	London	1,000	600	700
16	Rhodes, Jeffrey	INTL Commodities DMCC	Dubai	1,005	710	839
17	Smith, Daniel	Standard Chartered	London	1,150	800	985
18	Steel, James	HSBC Bank USA	New York	950	700	825
19	Takai, Bob	Sumitomo Corporation	Tokyo	1,100	700	900
20	Tully, Edel	Mitsui & Co Precious Metals, Inc	London	1,105	680	906
21	Turnbull, Trevor	Scotia Capital Inc	Toronto	1,200	750	965
22	Turner, Matthew	Virtual Metals	London	1,075	700	905
23	Vaidya, Bhargava	BN Vaidya & Assoc	Mumbai	895	670	750
24	Wrzesniok-Rossbach, Wolfgang	Heraeus Metallhandelsgesellschaft mbH	Hanau	1,100	700	910
AVERAGES:				1073.54	721.46	880.74

The London Bullion Market Association



Silver						
	Name	Company	City	High	Low	Average
1	Bhar, Robin	Calyon	London	18.00	9.00	13.00
2	Biondi, Adrien	Commerzbank International	Luxembourg	12.50	9.50	11.50
3	Christian, Jeffrey	CPM Group	New York	20.00	9.00	13.00
4	Cooper, Suki	Barclays Capital	London	14.00	8.00	10.60
5	De Wet, Walter	Standard Bank	London	17.50	8.50	13.00
6	Jansen, Michael	JP Morgan	London	13.50	8.00	10.00
7	Kendall, Tom	Mitsubishi Corporation	London	14.05	7.70	11.65
8	Klapwijk, Philip	GFMS Ltd	London	20.50	10.35	14.40
9	Norman, Ross	TheBullionDesk.com	London	16.00	8.00	12.48
10	Panizzutti, Frederic	MKS Finance	Geneva	15.00	7.00	10.87
11	Reade, John	UBS Investment Bank	London	13.50	6.50	8.40
12	Rhodes, Jeffrey	INTL Commodities DMCC	Dubai	18.55	8.90	13.35
13	Smith, Daniel	Standard Chartered	London	13.00	10.00	11.00
14	Steel, James	HSBC Bank USA	New York	14.25	9.50	12.50
15	Takai, Bob	Sumitomo Corporation	Tokyo	15.00	9.00	11.00
16	Tully, Edel	Mitsui & Co Precious Metals, Inc	London	14.05	7.10	10.26
17	Turnbull, Trevor	Scotia Capital Inc	Toronto	18.50	7.50	13.00
18	Turner, Matthew	Virtual Metals	London	14.80	8.50	11.40
19	Vaidya, Bhargava	BN Vaidya & Assoc	Mumbai	14.75	7.80	10.00
20	Wrzesniok-Roszbach, Wolfgang	Heraeus Metallhandelsgesellschaft mbH	Hanau	14.50	7.50	10.15
AVERAGES:				15.598	8.368	11.578

The London Bullion Market Association



Platinum						
Name	Company	City	High	Low	Average	
1	Bhar, Robin	Calyon	London	1,400	850	1,050
2	Biondi, Adrien	Commerzbank International	Luxembourg	1,100	800	929
3	Christian, Jeffrey	CPM Group	New York	1,200	750	944
4	Cooper, Suki	Barclays Capital	London	1,375	750	1,020
5	Davis, David	Credit Suisse Standard Securities	Johannesburg	1,200	820	1,010
6	De Wet, Walter	Standard Bank	London	1,200	800	1,030
7	Hochreiter, Rene	James Allen	Johannesburg	1,500	800	1,200
8	Jansen, Michael	JP Morgan	London	1,450	750	880
9	Kendall, Tom	Mitsubishi Corporation	London	1,340	780	1,080
10	Klapwijk, Philip	GFMS Ltd	London	1,440	850	1,090
11	Norman, Ross	TheBullionDesk.com	London	1,200	925	1,017
12	Panizzutti, Frederic	MKS Finance	Geneva	1,100	800	950
13	Reade, John	UBS Investment Bank	London	1,200	700	900
14	Smith, Daniel	Standard Chartered	London	1,200	850	1,000
15	Steel, James	HSBC Bank USA	New York	1,300	900	1,100
16	Stevens, Glyn	INTL Commodities Inc	London	1,040	560	765
17	Takai, Bob	Sumitomo Corporation	Tokyo	1,200	700	1,000
18	Tully, Edel	Mitsui & Co Precious Metals, Inc	London	1,270	750	1,052
19	Turner, Matthew	Virtual Metals	London	1,350	695	950
20	Wrzesniok-Roszbach, Wolfgang	Heraeus Metallhandelsgesellschaft mbH	Hanau	1,200	700	945
AVERAGES:				1263.25	776.50	995.60

Palladium

	Name	Company	City	High	Low	Average
1	Bhar, Robin	Calyon	London	350	180	264
2	Biondi, Adrien	Commerzbank International	Luxembourg	230	180	205
3	Christian, Jeffrey	CPM Group	New York	275	150	210
4	Cooper, Suki	Barclays Capital	London	300	150	210
5	Davis, David	Credit Suisse Standard Securities	Johannesburg	240	160	202
6	De Wet, Walter	Standard Bank	London	260	165	220
7	Hochreiter, Rene	James Allen	Johannesburg	400	200	300
8	Jansen, Michael	JP Morgan	London	250	160	195
9	Kendall, Tom	Mitsubishi Corporation	London	325	160	235
10	Klapwijk, Philip	GFMS Ltd	London	290	175	228
11	Norman, Ross	TheBullionDesk.com	London	310	180	234
12	Panizzutti, Frederic	MKS Finance	Geneva	290	170	213
13	Reade, John	UBS Investment Bank	London	300	150	190
14	Smith, Daniel	Standard Chartered	London	275	170	203
15	Steel, James	HSBC Bank USA	New York	300	175	250
16	Stevens, Glyn	INTL Commodities Inc	London	244	78	138
17	Takai, Bob	Sumitomo Corporation	Tokyo	250	160	200
18	Tully, Edel	Mitsui & Co Precious Metals, Inc	London	315	165	236
19	Turner, Matthew	Virtual Metals	London	295	130	195
20	Wrzesniok-Rossbach, Wolfgang	Heraeus Metallhandelsgesellschaft mbH	Hanau	325	165	230
AVERAGES:				291.20	161.15	217.89