

The Sid Klein Comment

1001 BOUL. DE MAISONNEUVE O., BUREAU 950, MONTREAL, CANADA H3A 3C8
TEL: (514) 939-2221 FAX: (309) 417-0942
e-mail: sidklein@sidklein.com
www.sidklein.com

Buy Signals



June 20, 2006

Gold: \$575.30

Silver: \$10.26

Yen: 87.06

From the May 29, 2006 report:

“The Dollar has peaked, as described above and, as forecast, has completed its lower high, having turned convincingly. These short term pullbacks in the Yen, Euro, and Swiss Franc are just that.”

The Yen has completed its correction, after its initial strong run-up. Note the neckline support and higher right shoulder in the chart below. This pattern is entirely consistent with the fundamental background of waiting for a thoroughly discounted Fed meeting.

Striking its 200-day moving average, gold has corrected to the level contemplated as a possible level to which the metal could fall in the near term, after it had achieved the forecasted \$600 level.

Silver has broken the \$12 support area that I had felt would hold, and fallen to the lower support zone around \$10.



Investors are 100% long, but trading portions for the Yen, gold and silver may return to all-out buy stances.

The **Yen** is the world's best fiat currency. I reiterate February's analysis that **gold** may achieve \$850 by yearend, with a possible \$2000 target in 2007. For **silver**, we'll just say "up", since the potential is so dramatic.

Sid Klein

LEGAL NOTICE: This market letter is the work product and intellectual property of Mr. Sidney Klein. It arises out of his training and profession as an international expert on financial equities. It is a private correspondence from Mr. Klein to his subscribers. Any person who copies or otherwise disseminates this letter becomes subject to international criminal and/or civil prosecution under the Universal Copyright Convention and the Berne Convention for the Protection of Literary and Artistic Works. Nearly all countries in the world have signed both of these Conventions and have pledged to enforce them through their own legal systems. In addition, Interpol may be called upon to assist in the international enforcement of these Conventions through its processes of arrest and extradition. If you are the *recipient* of a copy of this market letter, whether through the internet or by facsimile, you should immediately report to Mr. Klein the name of the person or entity who sent it to you. Send your email to sidklein@sidklein.com.

DISCLAIMER: This market letter is intended to assist in the dissemination of information to private subscribers. The information contained herein represents Mr. Klein's best efforts in good faith to advance knowledge to his clientele, but there can be no implied guarantee as to its accuracy or completeness. The information is given as of the date appearing on this market letter, and Mr. Klein assumes no obligation to update the information or advise on further developments relating to the information provided herein. No solicitation to buy or sell securities is intended, and none should be inferred. Investments are inherently risky, but investment risk itself is a function of individual preferences. Thus any opinions, recommendations, or judgments expressed in this market letter are of necessity abstract and general. They must be modified, accepted, or rejected by individual subscriber/investors whose risk averseness cannot be known to Mr. Klein.