



Dow Jones Newswires

DJ MARKET TALK: Analyst: Palladium Oversold, May Bounce

Fri Aug 29 12:12:39 2008 EDT 1612 GMT [Dow Jones] - Shawn Hackett, president of Hackett Financial Advisors, looks for a longer-term rise in palladium, pointing out that the palladium/platinum ratio is now 1-to-5, historically an "extreme undervaluation" of palladium prices after their recent pullback. "With a record number of cars being sold around the world in July that were equipped with catalytic converters, I believe the mass hysteria over a weak U.S. car market is way overblown," he says. "The RSI (Relative Strength Index) has entered extreme oversold territory, suggesting we are in the very late stages of a spec-fund-selling climax." If prices break above \$300 an ounce, a snap-back rally could be under way, he says. The Dec futures did so Friday and are up \$9.40 to \$305.50 late in the Nymex session. Sister metal Oct platinum is basically steady -- down 20 cents to \$1,484. (ALS)

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