

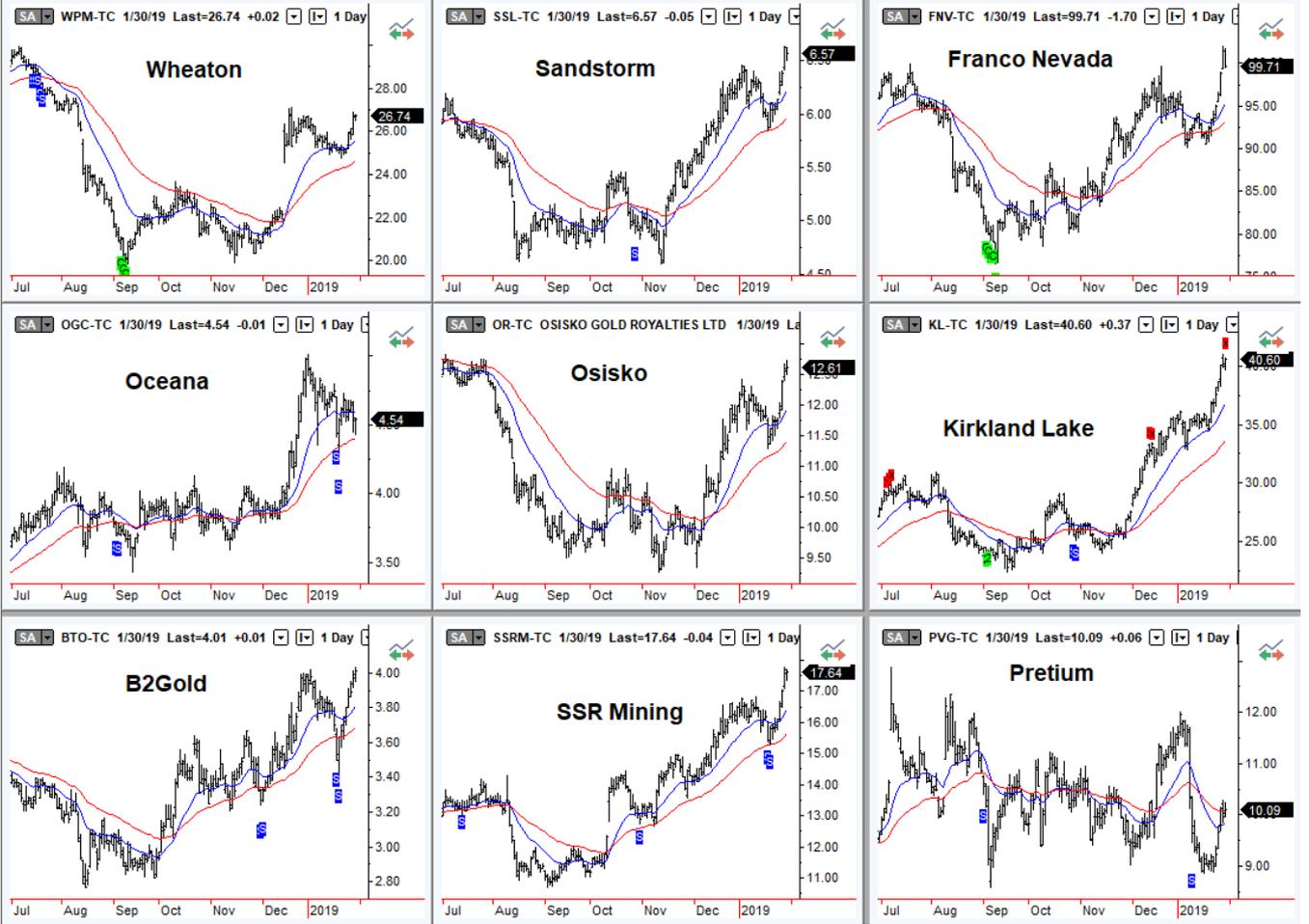
Extended Runs in Precious Metals

Gold and silver are both generating weekly Sequential 9 Sell Setups (*nine consecutive weeks with closes above four weeks earlier*). This is not unusual as they push through this seasonally favourable period. The thirty-five such Sequential signals in gold since 1975 have been in the vicinity of interim highs in all, but three cases (*12 during the week of the signal, 6 in the first week after and 8 in the second week*).

We have been reporting that years with a rally in the early part of the year have not topped until gold registers a daily Sequential 13. That count is at 12 as of today, so starting tomorrow, any opening or close above two days earlier will generate a 13. The TD Combo, which began its count on December 17th, is at a completed 13 as of yesterday. Both the daily Sequential and Combo counts in Silver are at 12.

Prudence would suggest that traders take some money off the table and raise stops to just below the recent breakout (*spot prices of \$1295 and \$15.78*)





Silver's



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