



April 25, 2021

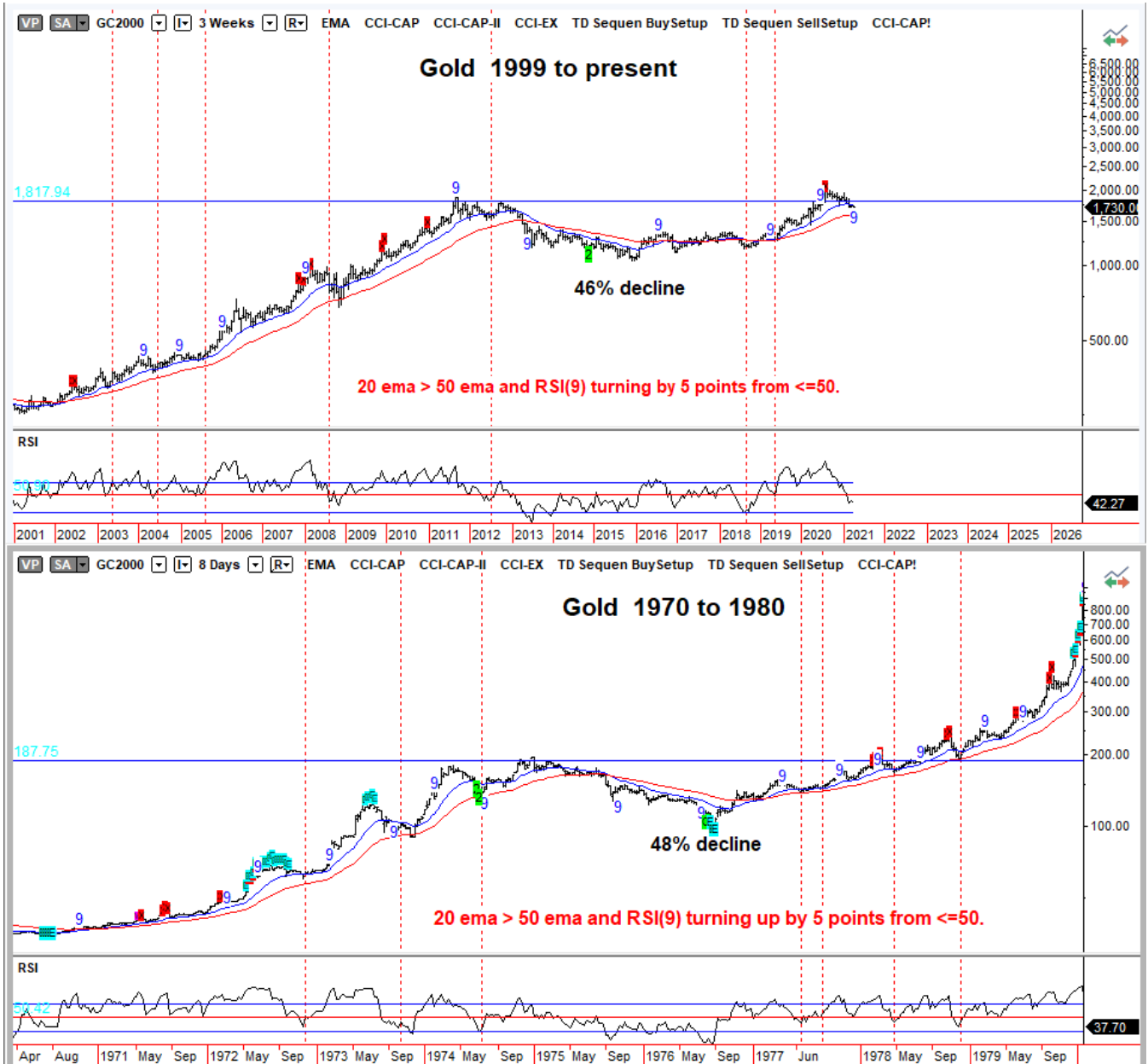
## Gold

Gold spent the better part of the last week testing the Fibonacci 38% retracement resistance (\$1783) from the January high and satisfied the optimum rally from the Capitulation signal at \$1683.

Friday produced a Sequential 7 Sell Setup (*seven closes above four bars earlier*) which is more common at interim highs in gold than the standard Sequential 9's. Unless gold can manage to exceed this week's high and produce a change in character, we will anticipate a break below the March low. A catalyst for a bearish confirmation would be a close below April 8<sup>th</sup> (\$1756).



The optimum long-term buy continues to be on a deep correction around \$1600, matching the corrective process in the decade long bull market of the 1970's. However, a close in May over the April high would be enough to suggest that the market is prepared for its next leg to the upside into all-time highs.



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