

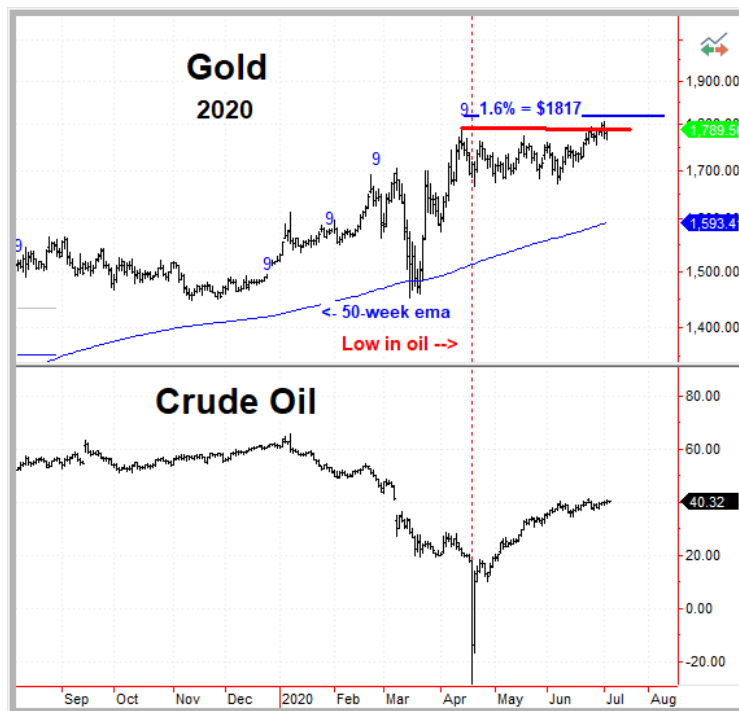
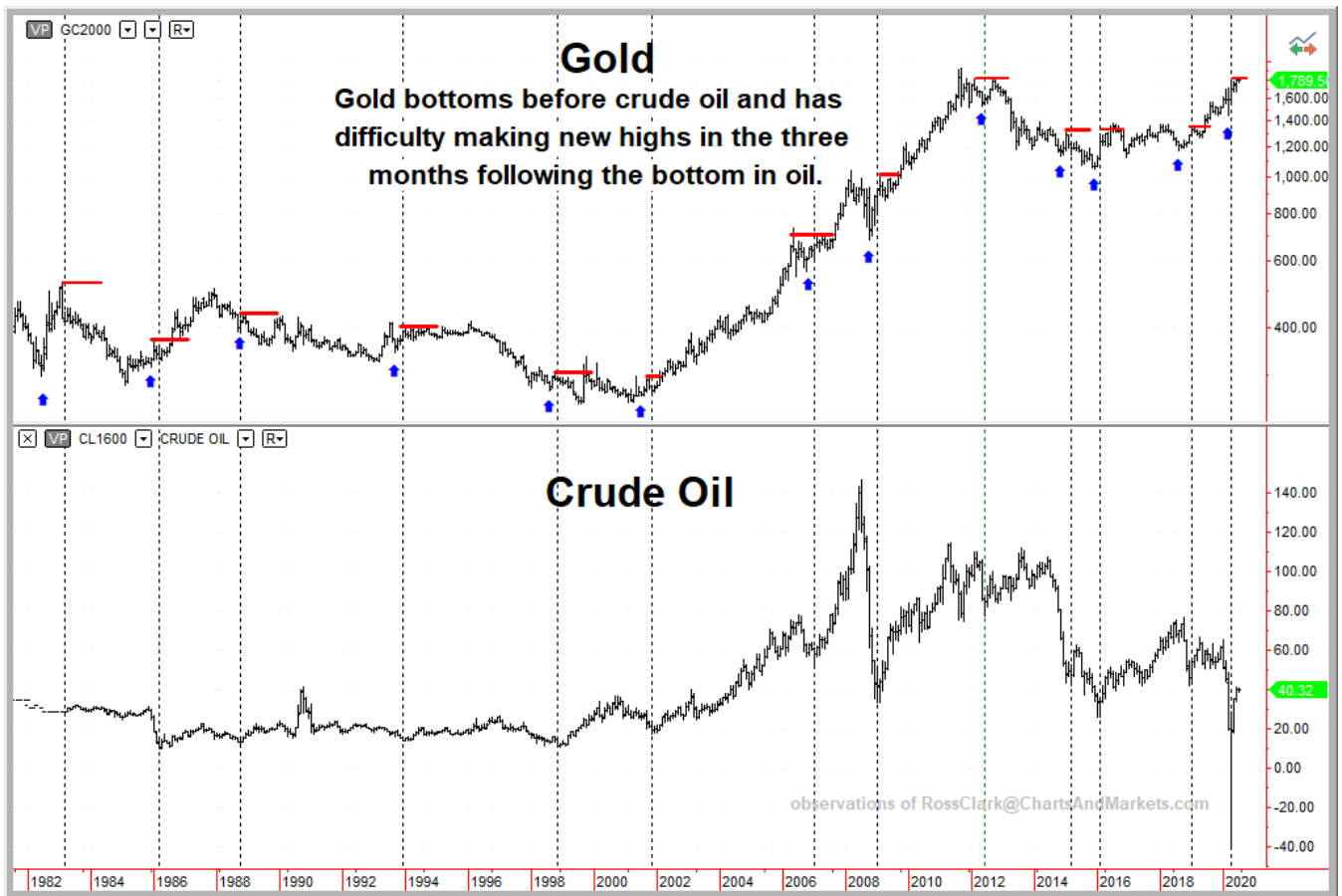


July 6, 2020

## Gold – Summary of Various Technical Studies

Trade what you know, not what you wish.

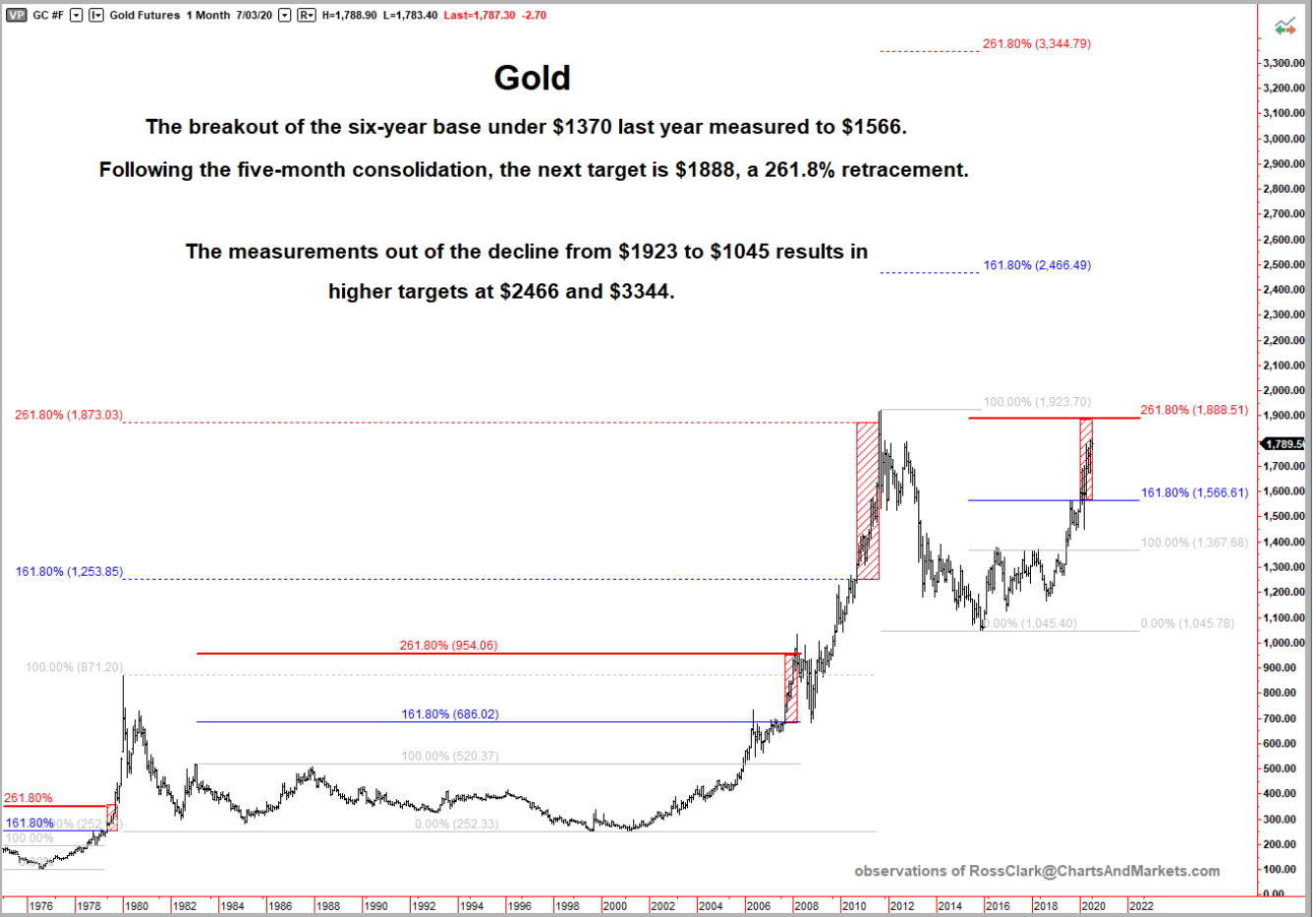
- The trend in gold is undeniably up with the most recent support at \$1760.
- Gold typically bottoms before crude oil (*March 19<sup>th</sup> versus April 20<sup>th</sup>*). They rebound together, however for the next three months gold has difficulty breaking out beyond 1.6% above previous highs. Once it closes through that resistance (*currently \$1817 basis nearest futures*) we can look forward to further upside action.
- It is unusual for gold to breakout high during July, However, rallies in gold that start early and make new 52-week highs in July (*seven times in forty years*) top out around 34 trading days from the preceding low. The targeted window is July 16<sup>th</sup> to 28<sup>th</sup> with an optimum of the 24<sup>th</sup>.
- The normal seasonal pattern is bullish from late in July through September
- The 2.618% Fibonacci measurement out of the six-year base under \$1370 measures to \$1888. The larger pattern from the \$1923 high to the \$1045 low measures to \$2466 and \$3344.
- While crude oil's rally from the April low is impressive it remains near fifteen-year lows. The low cost of energy assists the profitability for gold mining stocks.
- The low yield in Treasury and corporate bonds continues to provide an incentive for investors to look for alternative investments, such as bullion.
- The outperformance of gold verses the broad equity markets began in October 2018 and appears to have room to run.



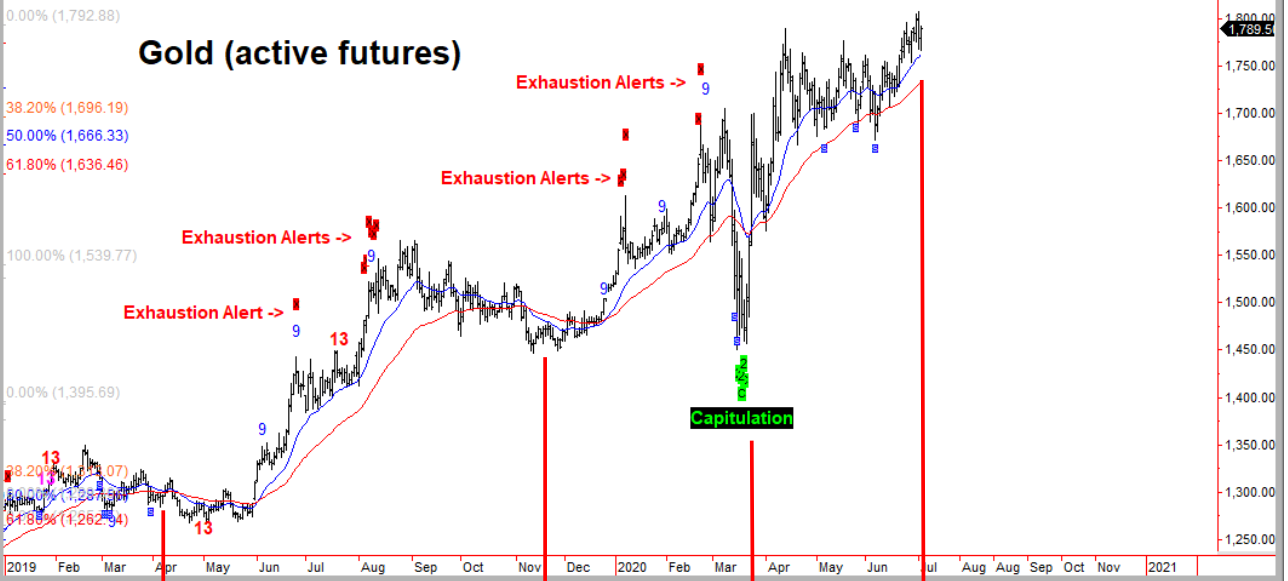
# Gold

The breakout of the six-year base under \$1370 last year measured to \$1566.  
 Following the five-month consolidation, the next target is \$1888, a 261.8% retracement.

The measurements out of the decline from \$1923 to \$1045 results in  
 higher targets at \$2466 and \$3344.



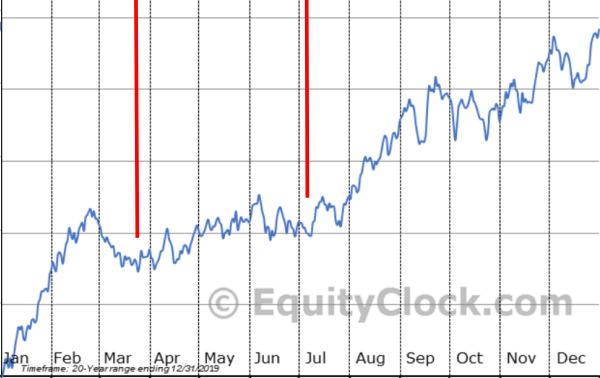
GC #F Gold Futures 7/03/20 Last=1,787.30 -2.70 -0.15% 1 Day CCI-CAP CCI-CAP-II CCI-EX TD Sequen BuySetup TD Sequen SellSetup SnapSum Buy EMA



Gold Futures Seasonality



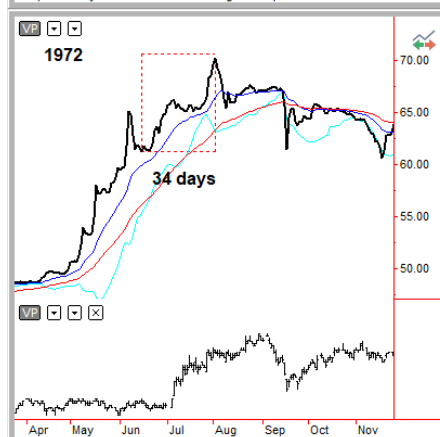
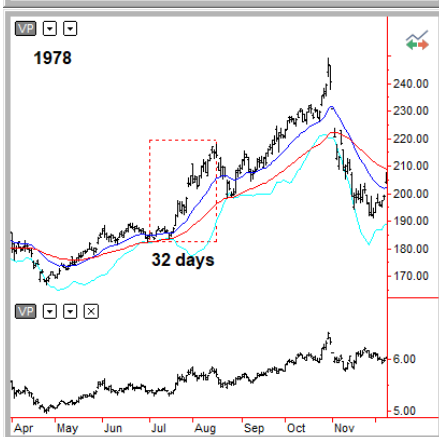
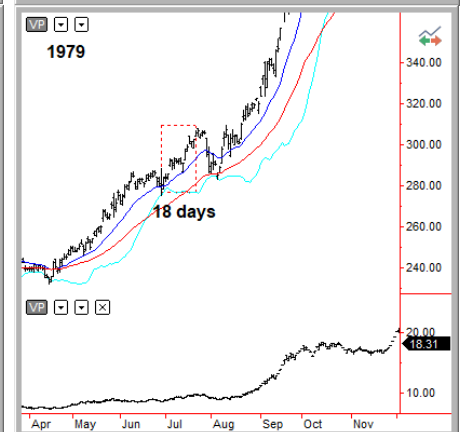
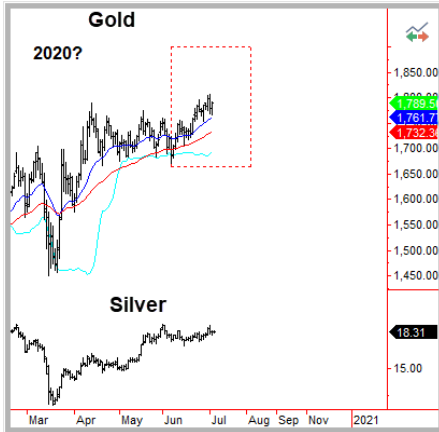
Gold Futures Seasonality



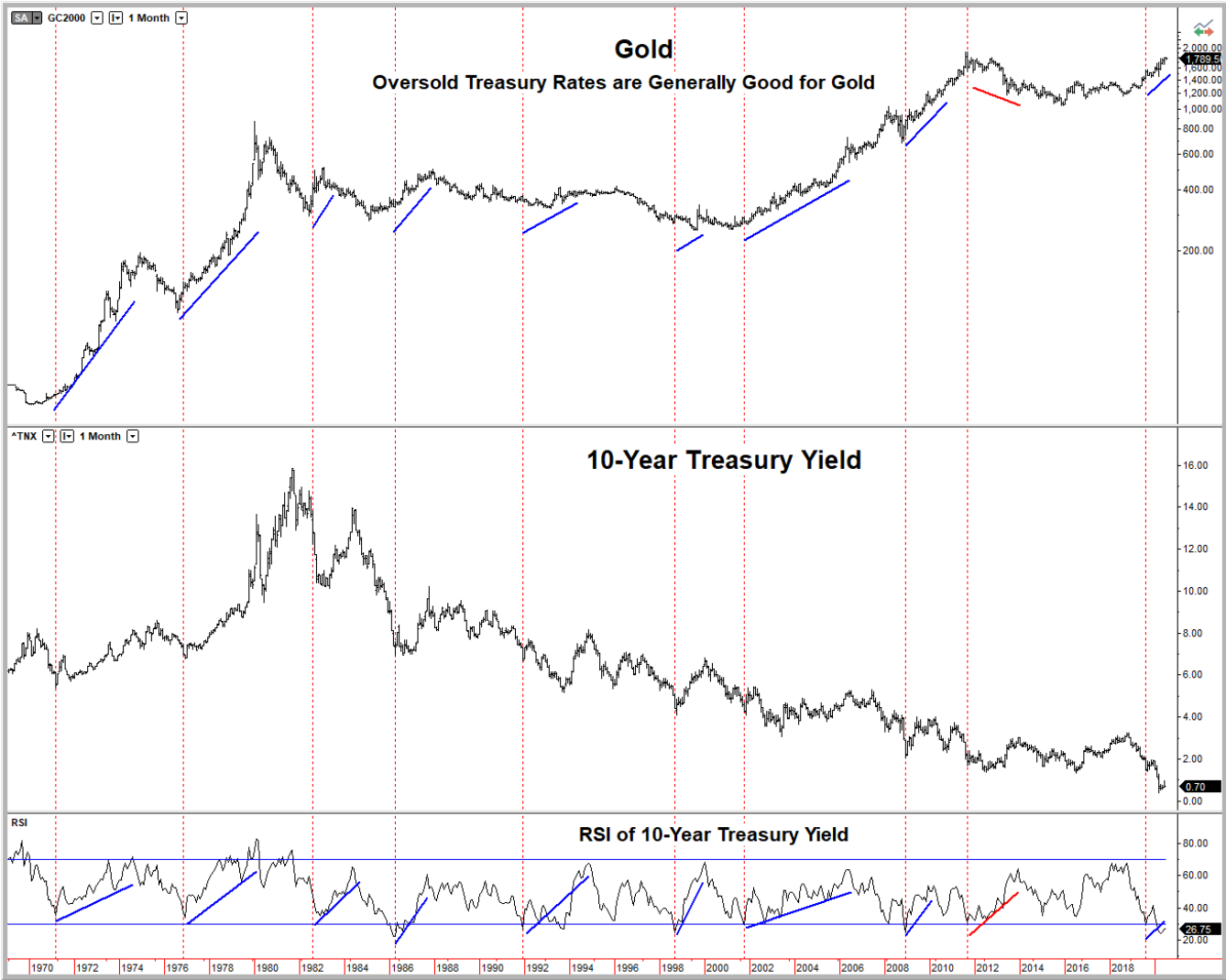
*July's made new 52-week closing highs seven times since 1970.*

*Will 2020 join the list?*

*If so, the optimum targeted time for a high is July 24<sup>th</sup> in a range of 16<sup>th</sup> to 28<sup>th</sup>.*



The oversold 10-Year Yield since 2019 should be constructive for gold until the RSI pushes through 60.



Gold is still not expensive when related to the broad equity markets. It began outperforming in October 2018 and the Gold/SPX and Gold/Dow ratios have now seen the five-year moving averages turn higher as seen in 1940, 1972 and 2002.



Opinions in this report are solely those of the author. The information herein was obtained from various sources; however, we do not guarantee its accuracy or completeness. This research report is prepared for general circulation and is circulated for general information only. It does not have regard to the specific investment objectives, financial situation, and the needs regarding the appropriateness of investing in any securities or investment strategies discussed or recommended in this report and should understand that statements regarding future prospects may not be realized.

Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. Neither the information nor any opinion expressed constitutes an offer to buy or sell any securities or options or futures contracts. Foreign currency rates of exchange may adversely affect the value,

price or income of any security or related investment mentioned in this report. In addition, investors in securities such as ADRs, whose values are influenced by the currency of the underlying security, effectively assume currency risk. Moreover, from time to time, members of the Charts and Markets team may be long or short positions discussed in our publications.

Research reports are provided for the use of paying subscribers of the Chart and Markets service and not for public distribution. An abuse of the single-user subscription will result in the revoking of the service. Multi-user subscriptions are available upon request.