

July 21, 2024

Sequential 9's in Gold and Silver

On July 11th we noted that both gold and silver registered Sequential 9 Sell Setups as seen on breakouts in Feb '24, Feb '22 and Dec '19. Those gold moves held their breakouts, unlike this time. Such a change in character is significant.

The initial drop of \$85 from the all-time high on the 17th quickly retraced 38% of the six-week rally. The \$2450 level in August futures becomes the new resistance.

Red bars identify concurrent Seq 9 Sell Setups





This week's Commitment of Traders report shows that the commercials have the largest net-short position in two years. Additionally, the RSI and Bollinger Bands indicate sell signals. Non-commercial investors have the largest net long positions since 2022, which could be seen as a potential sell signal.



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