

October 1, 2019

Technical observations of  
[RossClark@ChartsAndMarkets.com](mailto:RossClark@ChartsAndMarkets.com)

## Big Warning in Gold's COT Data

The most recent Commitment of Traders data from the CFTC showed net commercial short positions at the largest level in the thirty-three-year history. Speculators had the second highest long positions. The RSI of the COT numbers are in a bearish divergence as only seen five previous times (7/23/93, 1/18/08, 11/27/09, 7/18/14 & 7/8/16). This makes gold extremely vulnerable. The cleanout of weak longs should see the price decline by 15% or more (*below \$1340*). It will likely take a minimum of six weeks in a choppy manner with possible retracement rallies of 50% from the \$1543 high of September 25<sup>th</sup>.



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.