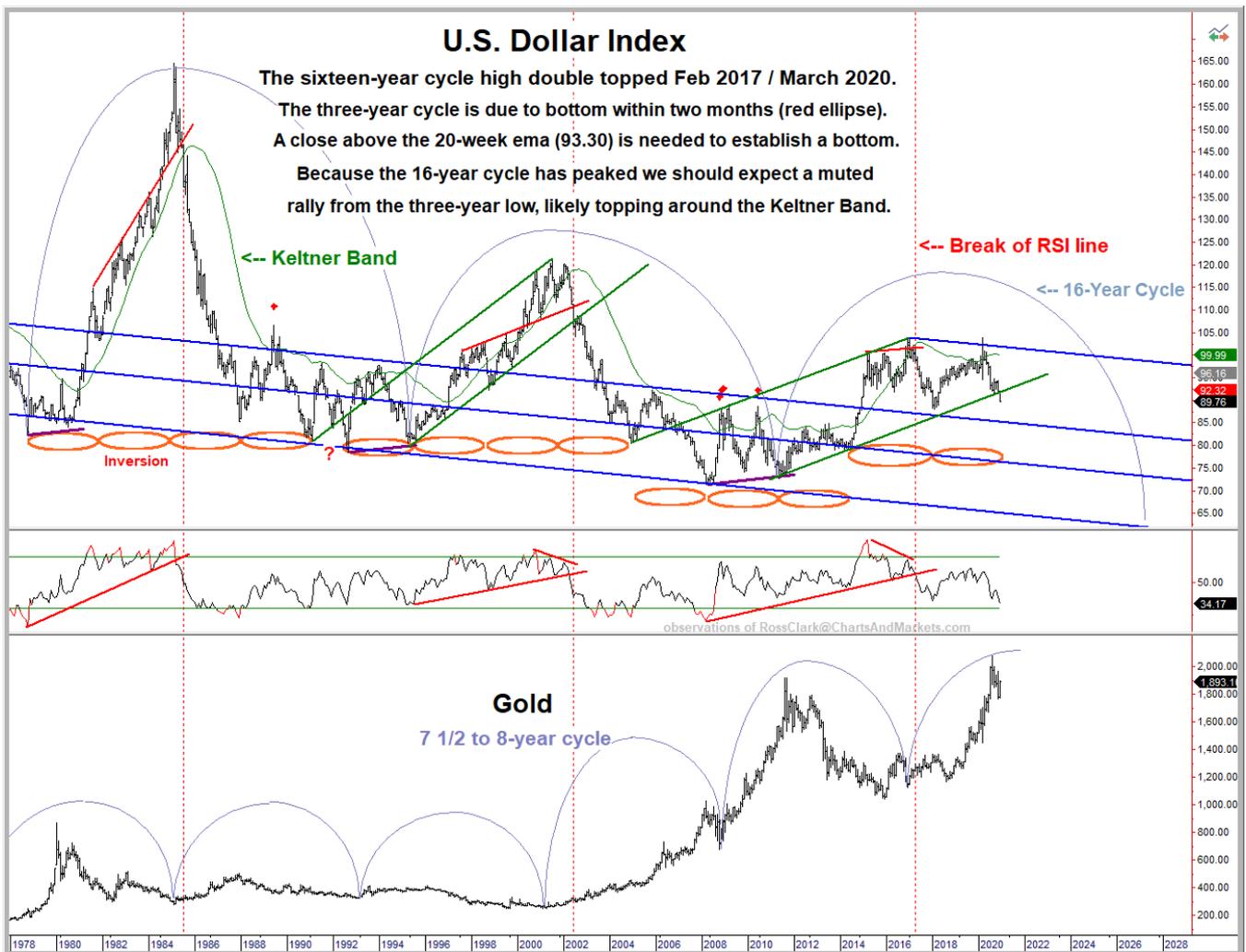




December 17, 2020

## The Weak US Dollar Puts a Strong Bid into Most Commodities

The break of the nine-year support line in the US Dollar index and downside follow-through is occurring in the seasonally weak period we have previously reported. This is being reflected in the rising price of agricultural (DBA) and industrial (XME, DBC) commodities and equities as measured in US Dollars.



## 25-year Seasonality of US Dollar Index displays weakness into yearend



Start date	Start price	End date	End price	Profit	Profit %	Max rise	Max drop
25 Nov 1996	87.26	02 Jan 1997	88.36	+1.10	+1.26%	+1.83%	0.00%
24 Nov 1997	96.68	02 Jan 1998	100.10	+3.42	+3.54%	+3.54%	0.00%
23 Nov 1998	96.32	04 Jan 1999	93.44	-2.88	-2.99%	+0.53%	-3.04%
23 Nov 1999	100.83	03 Jan 2000	100.22	-0.61	-0.60%	+1.68%	-0.60%
23 Nov 2000	118.09	02 Jan 2001	108.77	-9.32	-7.89%	+0.33%	-7.89%
23 Nov 2001	117.33	02 Jan 2002	115.79	-1.54	-1.31%	+0.52%	-2.05%
25 Nov 2002	106.54	02 Jan 2003	102.98	-3.56	-3.34%	+0.22%	-4.40%
24 Nov 2003	91.59	02 Jan 2004	86.92	-4.67	-5.10%	0.00%	-5.10%
23 Nov 2004	82.97	03 Jan 2005	81.30	-1.67	-2.01%	0.00%	-2.94%
23 Nov 2005	91.51	03 Jan 2006	89.84	-1.67	-1.82%	+0.58%	-1.98%
23 Nov 2006	84.48	02 Jan 2007	83.20	-1.28	-1.52%	0.00%	-2.40%
23 Nov 2007	75.05	02 Jan 2008	75.97	+0.92	+1.22%	+3.65%	-0.26%
24 Nov 2008	86.08	02 Jan 2009	81.50	-4.58	-5.32%	+1.21%	-8.72%
23 Nov 2009	75.08	04 Jan 2010	77.53	+2.44	+3.25%	+4.22%	-1.09%
23 Nov 2010	79.68	03 Jan 2011	79.13	-0.55	-0.70%	+1.90%	-0.82%
23 Nov 2011	79.14	02 Jan 2012	80.18	+1.04	+1.31%	+1.83%	-1.03%
23 Nov 2012	80.19	02 Jan 2013	79.84	-0.35	-0.43%	+0.27%	-1.16%
25 Nov 2013	80.92	02 Jan 2014	80.63	-0.29	-0.36%	+0.01%	-1.27%
24 Nov 2014	88.15	02 Jan 2015	91.08	+2.93	+3.32%	+3.32%	-0.62%
23 Nov 2015	99.80	04 Jan 2016	98.87	-0.93	-0.94%	+0.37%	-2.46%
23 Nov 2016	101.70	02 Jan 2017	102.83	+1.13	+1.11%	+1.57%	-1.58%
23 Nov 2017	93.22	02 Jan 2018	91.87	-1.35	-1.45%	+0.95%	-1.45%
23 Nov 2018	96.92	02 Jan 2019	96.82	-0.10	-0.10%	+0.54%	-0.77%
25 Nov 2019	98.32	02 Jan 2020	96.85	-1.48	-1.50%	+0.05%	-1.97%

Precious metals are entering their seasonally strong period.

### 25-year seasonality of Silver



Start date	Start price	End date	End price	Profit	Profit %	Max rise	Max drop
16 Dec 1996	4.80	24 Feb 1997	5.22	+0.42	+8.75%	+9.38%	-3.54%
15 Dec 1997	5.91	23 Feb 1998	6.48	+0.57	+9.64%	+28.43%	-7.11%
15 Dec 1998	4.89	22 Feb 1999	5.49	+0.60	+12.27%	+17.38%	-0.20%
15 Dec 1999	5.18	22 Feb 2000	5.28	+0.10	+1.99%	+7.08%	-1.54%
15 Dec 2000	4.56	22 Feb 2001	4.41	-0.15	-3.29%	+5.30%	-3.44%
17 Dec 2001	4.36	22 Feb 2002	4.39	+0.04	+0.80%	+7.87%	-3.30%
16 Dec 2002	4.70	24 Feb 2003	4.71	+0.01	+0.23%	+4.44%	-4.23%
15 Dec 2003	5.64	23 Feb 2004	6.49	+0.85	+15.04%	+20.18%	-0.18%
15 Dec 2004	6.84	22 Feb 2005	7.52	+0.67	+9.85%	+9.85%	-6.08%
15 Dec 2005	8.55	22 Feb 2006	9.57	+1.02	+11.91%	+15.22%	-2.77%
15 Dec 2006	12.82	22 Feb 2007	14.24	+1.42	+11.06%	+11.19%	-5.40%
17 Dec 2007	13.83	22 Feb 2008	18.02	+4.20	+30.37%	+30.37%	0.00%
15 Dec 2008	10.59	23 Feb 2009	14.45	+3.86	+36.44%	+36.82%	-3.36%
15 Dec 2009	17.44	22 Feb 2010	16.22	-1.22	-6.99%	+7.70%	-15.01%
15 Dec 2010	29.23	22 Feb 2011	32.86	+3.64	+12.45%	+16.61%	-8.26%
15 Dec 2011	29.23	22 Feb 2012	34.24	+5.01	+17.16%	+17.75%	-6.96%
16 Dec 2012	32.38	22 Feb 2013	28.46	-3.92	-12.11%	+0.10%	-12.11%
15 Dec 2013	19.61	23 Feb 2014	21.89	+2.27	+11.60%	+11.60%	-2.64%
15 Dec 2014	16.53	22 Feb 2015	16.25	-0.28	-1.66%	+11.28%	-5.82%
15 Dec 2015	13.74	22 Feb 2016	15.18	+1.44	+10.47%	+14.91%	-0.41%
15 Dec 2016	15.90	22 Feb 2017	17.94	+2.04	+12.86%	+13.63%	-1.21%
15 Dec 2017	15.98	22 Feb 2018	16.58	+0.60	+3.76%	+14.18%	0.00%
16 Dec 2018	14.64	22 Feb 2019	16.20	+1.56	+10.66%	+12.48%	0.00%
15 Dec 2019	16.98	23 Feb 2020	18.65	+1.67	+9.80%	+9.80%	0.00%

Silver prices have broken out within a week of the measured turn date of December 22<sup>nd</sup>. Upside resistance is anticipated around the 61.8% retracement at \$26.80 and Keltner Channel (50,3) at \$26.90. A pause there would be healthy.



Historically, silver has been a good proxy for action in the CRB Index. The monthly chart of the CRB is at 6 of a potential 9 in the Sequential Sell Setup. Previous highs have seen 9's or an overbought RSI.



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.