

THE ROSEN MARKET TIMING LETTER

PRECIOUS METALS - FOREX - STOCK INDICES - COMMODITIES

<https://www.deltasociety.com/content/ron-rosen-precious-metals-timing-letter>

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March 27, 2016

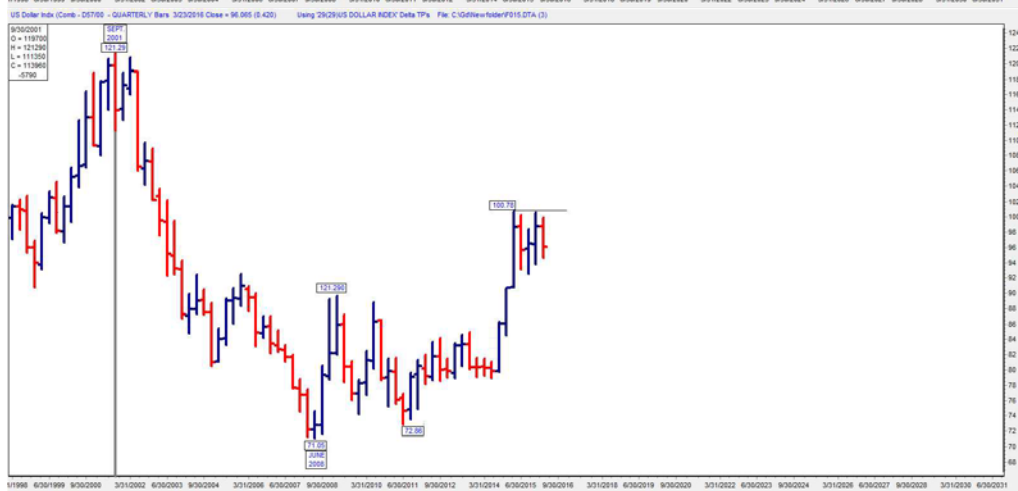
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We have read that gold is going to have a severe correction. First, in order to make life simple let's take a close look. Gold and the Dollar Index have proven that they trend in opposite directions. The gold bull market began for real in the June 2001 quarter. The Dollar Index began a bear market soon after in the September 2001 quarter.

GOLD QUARTERLY

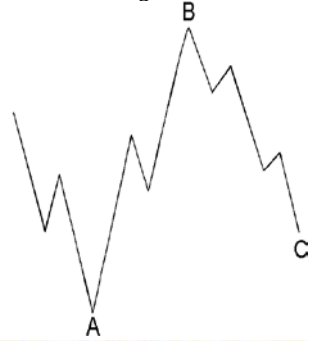


DOLLAR INDEX QUARTERLY

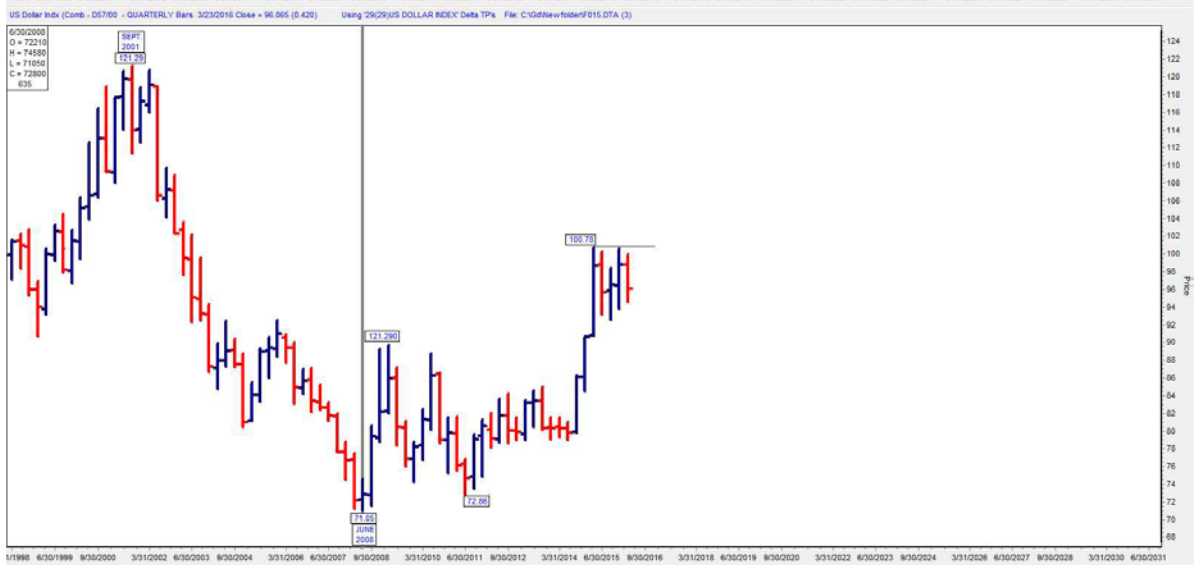


Next, an upward correction of the Dollar Index's bear market began in the June 2008 quarter. We know beyond doubt that gold trends in the opposite direction from the Dollar Index. Without doubt gold began a bull market correction in the March 2008 quarter. That correction is called a *Running Flat Correction*.

Running Flat Correction



GOLD QUARTERLY

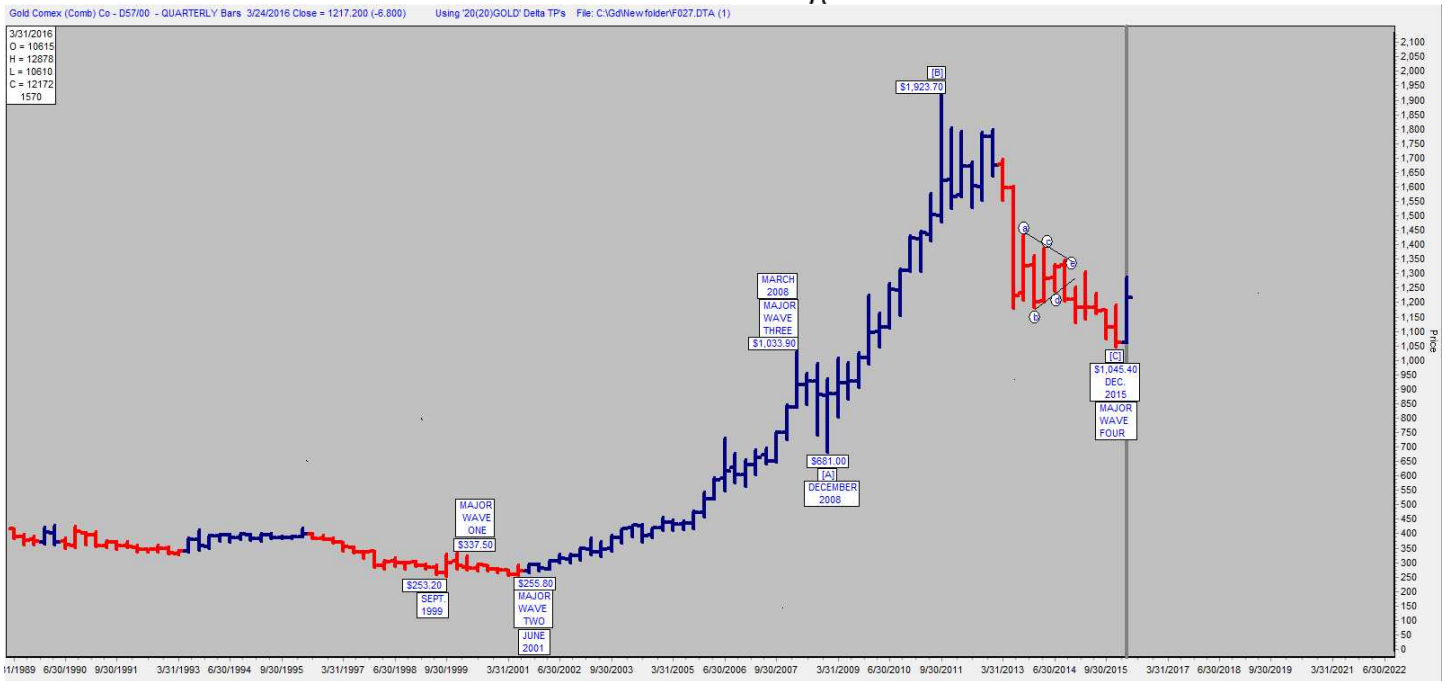
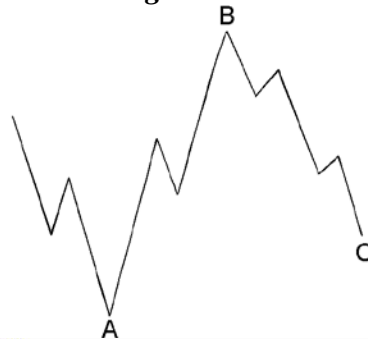


DOLLAR INDEX QUARTERLY

It appears that the *Running Flat Correction* in gold bottomed at the low of \$1,045.40. Since the bottom at \$1,045.40 gold has rallied \$242.40 to the high of \$1,287.80. Some folks are saying that gold may have a severe correction from the high at \$1,287.80. However, it appears quite possible that a *near perfect zigzag correction* bottomed this past Thursday at the low of \$1,211.20. See pages 4 and 5.

“The forces in the direction of the larger trend are *so powerful* that the pattern becomes skewed in that direction.” E. W. P.

Running Flat Correction



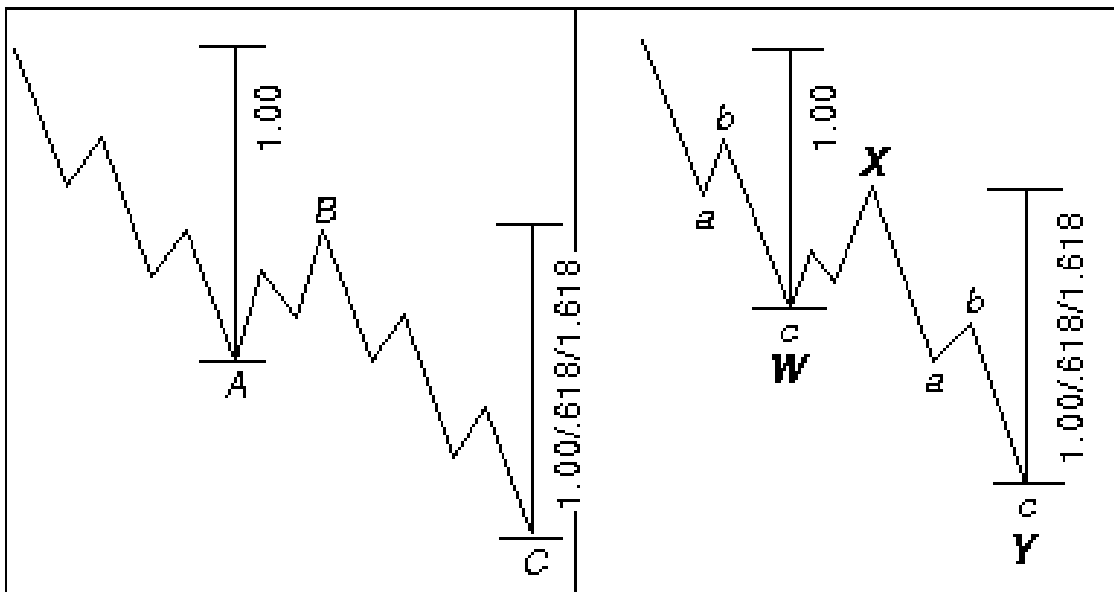
GOLD QUARTERLY

Corrective Wave Multiples

“In a zigzag, the length of wave *C* is usually equal to that of wave *A*, as shown in Figure 33, although it is not uncommonly 1.618 or .618 times the length of wave *A* in Figure 34.” E. W. P.

Figure 33

Figure 34



“In a zigzag, the length of wave C is usually equal to that of wave A, although it is not uncommonly 1.618 or .618 times the length of wave A.”
E. W. P.

On this daily gold chart ...

Leg A = \$61.8

Leg B = \$45.9

Leg C = \$60.7

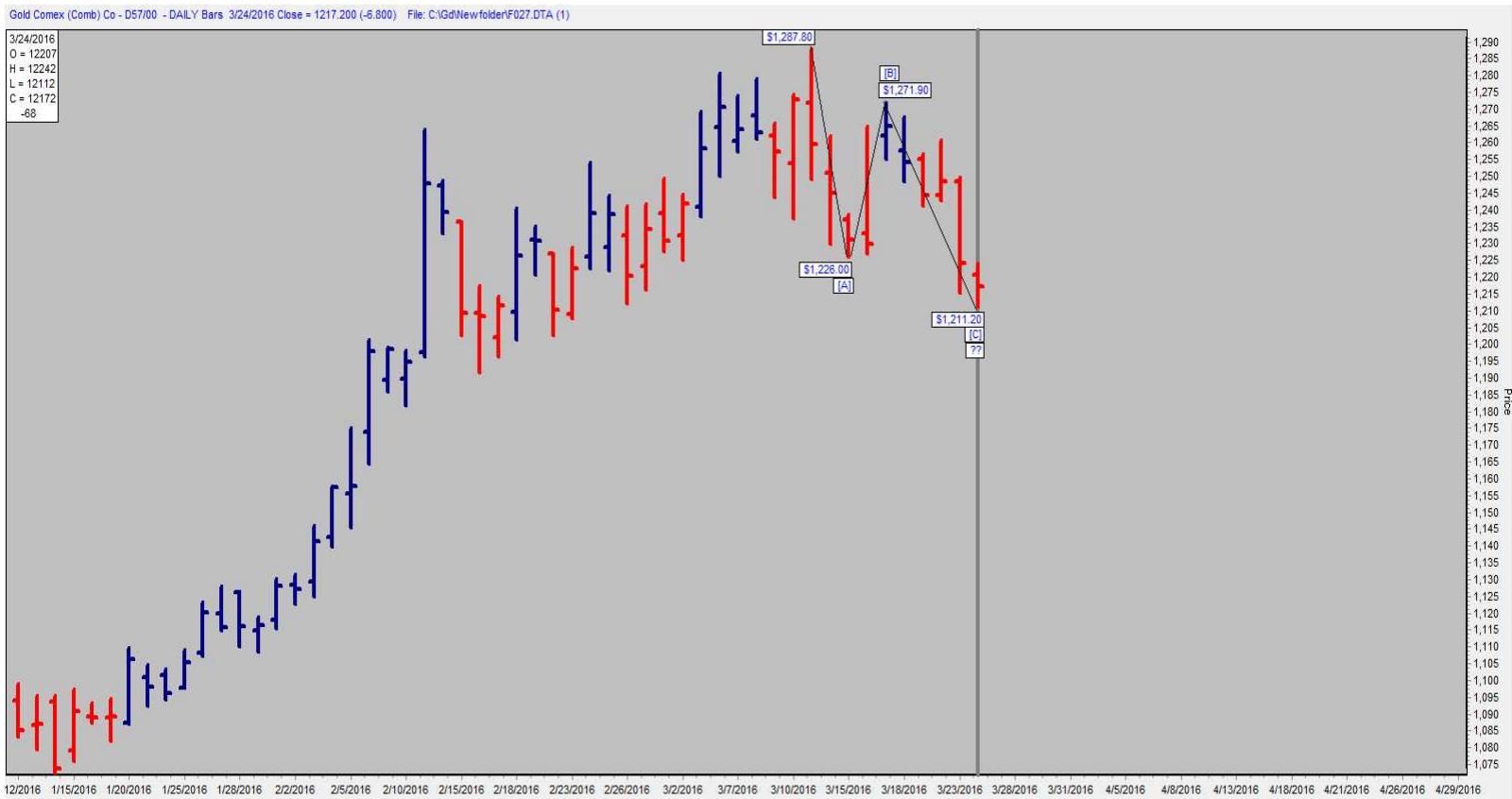
Leg C is just about equal to Leg A. The correction may be over!

If leg C is going to be 1.618 X Leg A then Leg C will be \$100.00.

The bottom of the correction would then be \$1,271.90 (Leg B high) minus \$100.00. This would be a corrective low of \$1,171.90.

However, if this quote proves to be true “The forces in the direction of the larger trend are so powerful that the pattern becomes skewed in that direction.” the correction should be complete at the Leg C low of \$1,211.20. At \$1,211.20 Leg C at \$60.7 just about equals Leg A at \$61.8. Leg C and this mini correction may have bottomed last Thursday at \$1,211.20

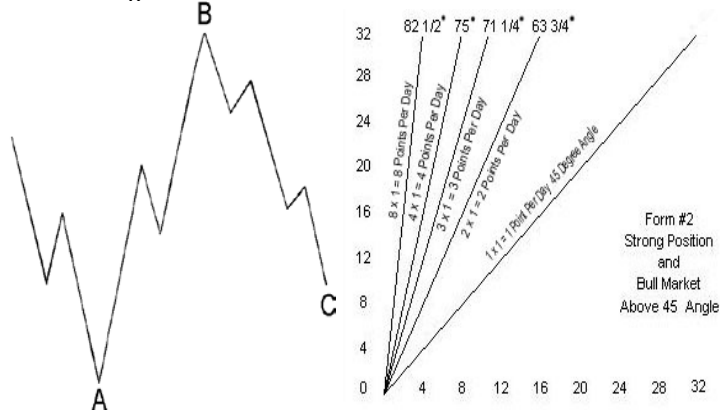
GOLD DAILY



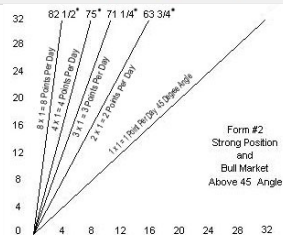
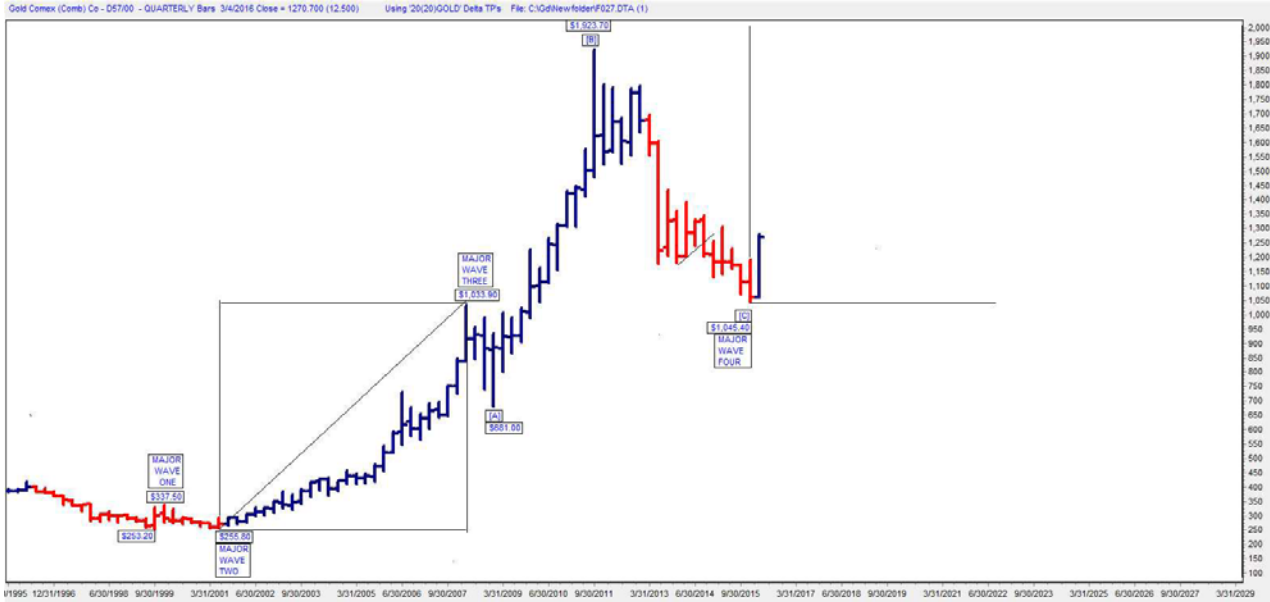
Now that the Running Flat Correction is complete the current angle of rise may prove to be quite startling due to the following reason:

“In contrast to the stock market, *commodities most commonly develop extensions in fifth waves* within Primary or Cycle degree bull markets. This tendency is entirely consistent with the Wave Principle, which reflects the reality of human emotions. Fifth wave advances in the stock market are propelled by hope, while fifth wave advances in commodities are propelled by a comparatively dramatic emotion, fear: fear of inflation, fear of drought, fear of war. Hope and fear look different on a chart, which is one of the reasons that commodity market tops often look like stock market bottoms.”
 E. W. P.

Running Flat Correction



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