

THE ROSEN MARKET TIMING LETTER

PRECIOUS METALS - FOREX - STOCK INDICES - COMMODITIES

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May 31, 2015

REPORT

**Double, double toil and trouble;
Fire burn, and caldron bubble**

William Shakespeare (1564-1616)
from Macbeth

Monster Mash

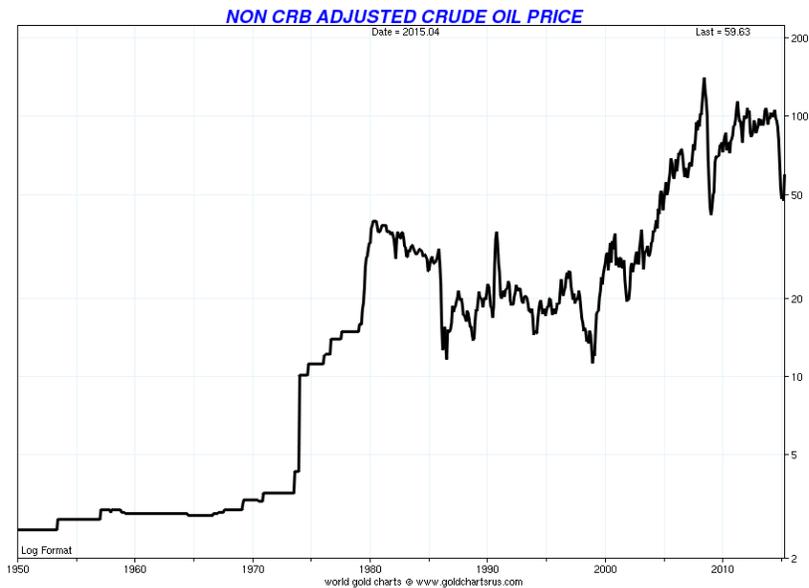


The monster mash these three witches are brewing consists of the charts of crude oil and gold. They remember what happened the last time they brewed a monster mash of crude oil and gold. The brew way back then was truly a “Holy Mess.” Once again these three ladies of evil are brewing a mess, but this time they believe it will be a “Mess from Hell.”

My favorite witch also whispered in my ear, “Dearly beloved, \$600 a barrel crude oil.” I had to squelch a laugh because I knew better than to offend her. On second thought remembering how she so accurately predicts the future I decided to take a closer look at my long term charts.



The monster mash of a mess being brewed consists of gold and crude oil charts. In the gold and crude oil bull market of the 1970's these witches saw to it that gold and crude oil had Five Major Waves. The current bull market they are brewing has only four complete Major Waves and is about to start the final Major Wave Five.



A look at the current quarterly gold and crude oil logarithmic charts shows us that if gold and crude oil reach their upper trend lines by June 2016 the price will be \$4,700 for gold and \$600 for a barrel of crude oil. Crude oil at \$600 a barrel seems like a ridiculously high price. However, on the next page *let's take a look at what the ratio of crude oil to gold was when their bull market of the 1970's finally topped.*

GOLD QUARTERLY LOGARITHMIC

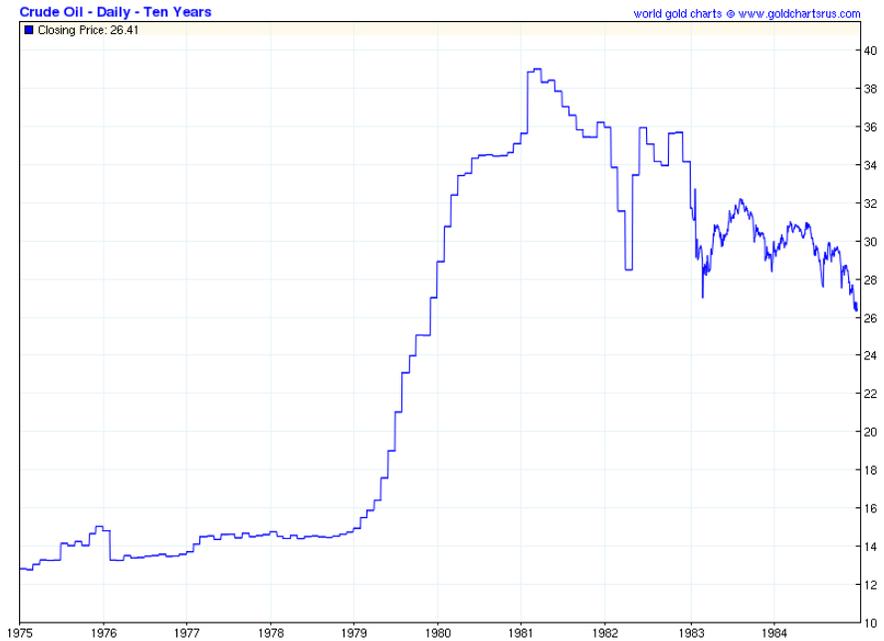


CRUDE OIL QUARTERLY LOGARITHMIC



The final high for crude oil in the previous bull market was \$39.00 a barrel. The actual final high for gold bullion was \$850 an ounce. That was a ratio of 21.79 to 1... *21.79 times \$39.00 crude oil = \$850 an ounce gold!*

If crude oil is hell bent on reaching \$600 a barrel and the ratio repeats being 21 to 1 the price of gold will be 21 time \$600 or \$12,600. Is there any sane, respectable and well known analyst who thinks that gold can actually reach \$12,600 an ounce?



Gold Price Forecast Of Plausible \$12,600 By Year 2020

Dec 17, 2014 - Vronsky's gold price forecast is based on gold price history, the data available from gold's two previous bull markets, and their respective ...

Gold Backed Renminbi Prediction...And Gold Price Forecast For Year 2020

Vronsky

May 20, 2015



”Gold Prediction and Forecast Summary

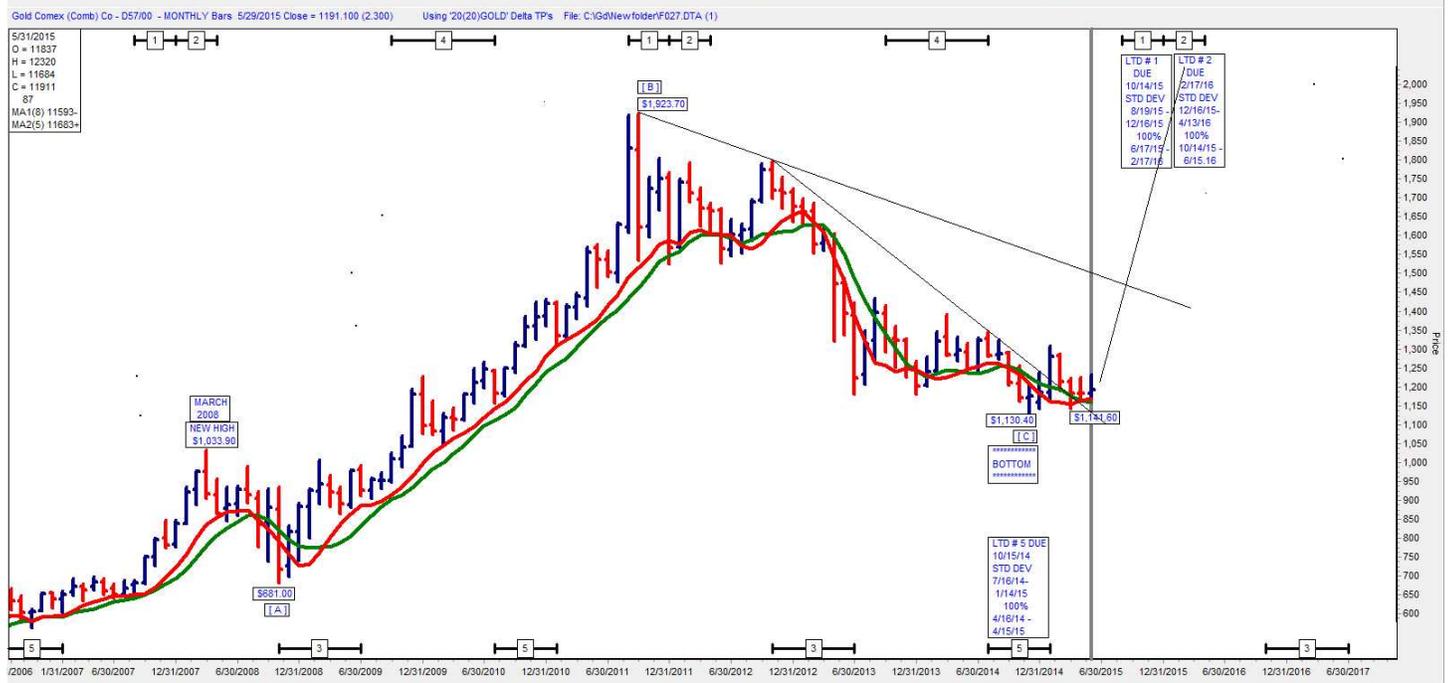
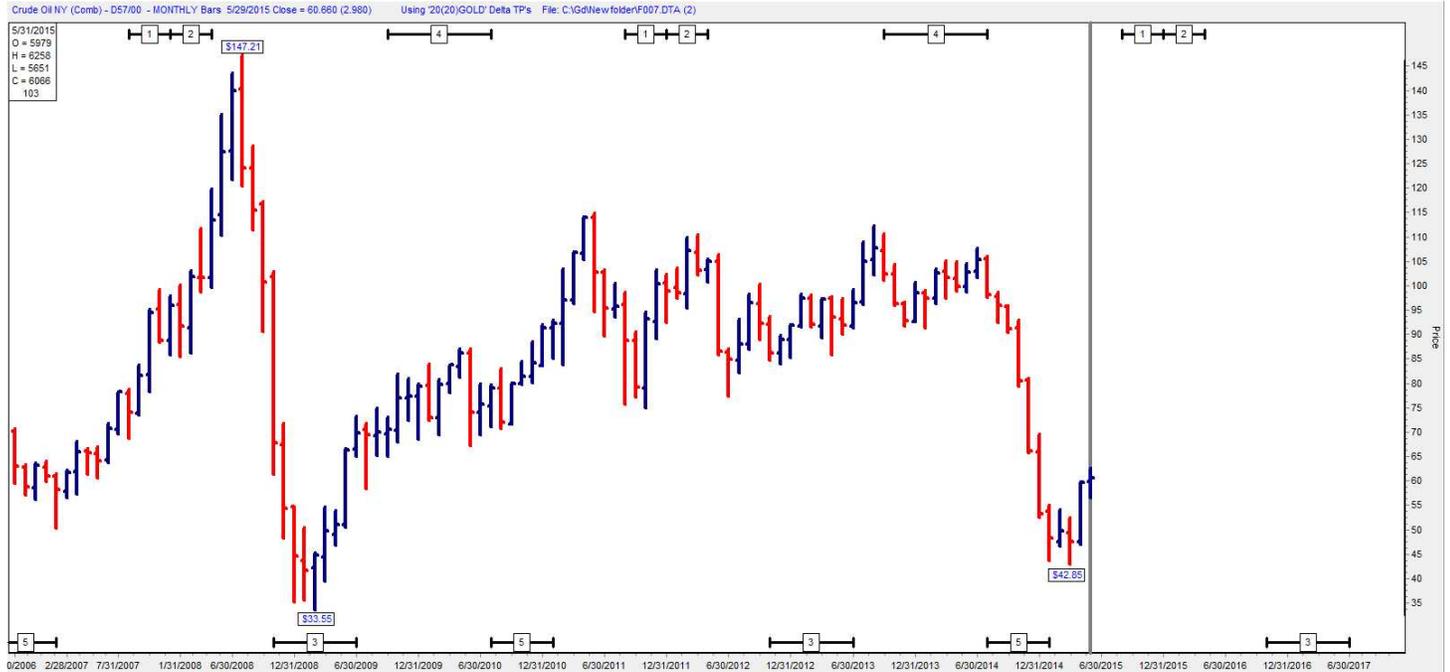
It is highly probable China is accumulating gold hand over fist with a view to create a Gold-Backed Renminbi. The specific objective of Beijing is to establish the Renminbi as the Primary International Reserve Currency...thus replacing the US dollar.

Nonetheless, there is NO WAY China has today anywhere near 30,000 tonnes of gold...for the following reasons. The entire world’s gold mine production is a mere 2,600 tonnes per year. Moreover, China’s own annual gold production is less than 500 tonnes. Consequently, the Sino nation could NOT have accumulated that much gold without the having sky-rocked the price of gold into the stratosphere. But rest very assured China is slowly and methodically accumulating gold – and will continue to do so for years to come.

It is eminently logical that in the event China achieves the above daunting monetary goal (sometime in the near future), it will necessarily fuel the gold price into orbit. This leads us to forecast a gold price of US\$12,600/oz. by 2020. Moreover, the Renminbi gold price is similarly forecast to reach 15,100 Yuan by the year 2020.”

It is obvious that gold and crude oil have for many years been embarked on a joint venture but not the kind that recently became legal in the state of Colorado. I strongly suspect that they will continue their trip onward and upward side by side. At \$600 a barrel of crude oil, gasoline may be over \$16.00 a gallon. Electric cars anyone?

CRUDE OIL MONTHLY WITH GOLD # 20 TURNING POINTS



GOLD MONTHLY



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