

GOLD – Too EARLY TO BE A BUYER

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Gold's daily chart displays a gradual down-drift after the two sharp down days, which broke the rising channel near 1900 at the beginning of February 2023. The decline has been gradual after Gold broke below 1877, the Fibo 38% retracement, which often signals a change in trend. Below 1847, the Fibo 50% retracement, Gold entered into the Cloud, which extended between 1800-1780 at the end of February, where it could find some support and rebound toward 1847. This may correlate with the US\$ Index (*dotted green line*) on the upper panel finding some resistance near 105 – the former support level of last November.

However, this rebound of Gold toward 1847 would be a rebound within a neutral zone as the Cloud defined itself, or a Bear market rally later leading to lower lows. Indeed if Gold is drifting below 1800 during March, i.e. drifting below the daily Cloud, it would confirm the bearish trend along a negative MACD allowing Gold to drift toward 1719, the former major low in November 2022. Therefore, right now near 1817, it is too early to consider buying Gold along oversold Stochastics as a rebound may be too short-lived. It would be better to wait for price action near 1719. Indeed, Patience is a virtue in the domain of Investing.

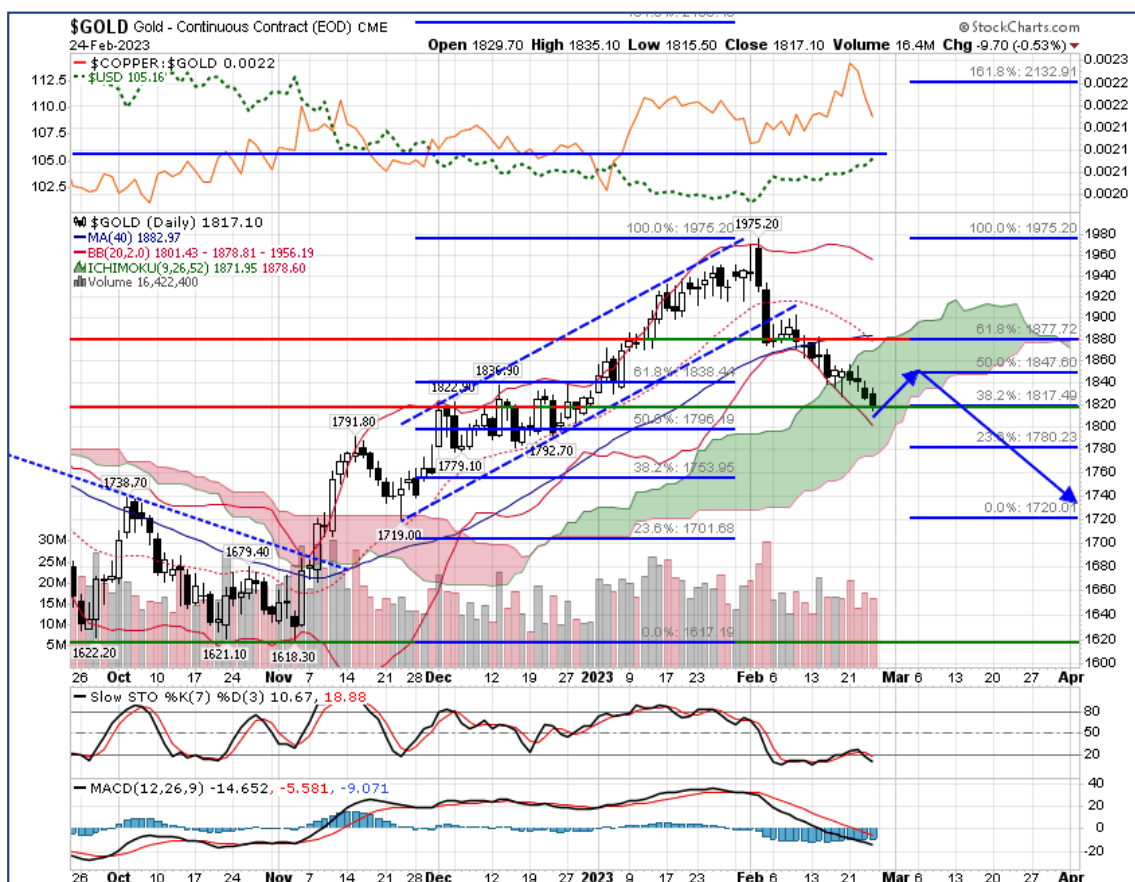
Gold Continuous Contract CME in daily Candlesticks with 40-day MA and 20-day MA surrounded by two Bollinger Bands. Also, the Ichimoku Cloud is in neutral mode. The declining Bollinger Bands have been widening as Gold's decline broke below its 40-day MA. **Upper Panel:** Ratio of Copper versus Gold (*solid orange line*) declining sharply and the US\$ Index (*dotted green line*) is rising toward its former high of 105.

Lower Panel Momentum Indicators: Slow Stochastic is declining again below 20%, and the MACD is declining into a negative area.

Source of data:

Stockcharts.com.

Supports line & parameters are provided by BEST.



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