

Moving Average (926.465), Moving Average (869.677), 100 OZ GOLD Continuous (925.000, 926.200, 919.000, 920.600, -15.0000)

Comex Gold Continuous Daily

Gold closed below the 100 day moving average in today's session which cannot be considered friendly on a short term basis. Looking over the chart there appears to be a region of fairly solid support emerging in region near the 200 day moving average. That region also corresponds with a double bottom made back in April of this year near the 870 level.

The 38.2% Fib retracement level is minor support near our dear old friend, the \$880 level.

While I am obviously biased towards the long side of the gold market, this chart does not appear to me to be in a topping formation. Rarely do markets move up and make quadruple tops and then top out. Rather they tend to form consolidation patterns which is what appears to be forming in gold.

The upside is limited on account of the Dollar's short covering rally while the downside is supported over fears of the effects of Quantitative Easing.

Psychological support is near the \$900 level first, then \$880, and then \$870. Resistance remains near the \$940 region followed by tougher resistance near \$960.



100 day moving average

200 day moving average

Dec 2006 Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2007 Mar Apr May Jun Jul Aug Sep Nov Dec 2008 Mar Apr May Jun Jul Aug Sep Oct Nov 2009 Mar Apr May Jun Jul Aug