Equities · Other Intervals · IDC · 1 · 5 · 60 · Daily · Tick

(GC #F - GOLD,480) Dynamic,0:00-24:00

Comex Gold - 8 hour chart - October 29

bullion bank capping efforts here

former support level acting as resistance

A fair number of CTA's are looking at this level to buy.

The rally in the equity market brought a reversal of the Dollar carry trade liquidation with crazied funds now re-establishing those positions after dumping them heavily the last two days.

Buyers pushed prices right into the former support level indicated by the red line on the chart that comes in near the $1,050 level. It will take a strong push back through this level perferably back above $1,060 to generate the momentum necessary to take on that formidable resistance barrier centered near $1,070.

As trite as it sounds, we are pretty much watching what the equity world does as that will set the tone for "risk trades" which will push the Dollar lower. Weakness in the equities will bring on Dollar carry trade unwinding which will bring in downside pressure to the commodity and gold markets. The Dollar was showing some signs of a short term technical bottom so we will need to watch its charts levels very closely to gauge what gold is going to do.

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10700 10600 10500 10470 10400 10300 10200 10100 10000 9900 9800 9700 9600 9500 9400 9300

RSI(14,C)

We will need to see a break of the downtrending slope line in the RSI to get some bullish momentum going

100 75 50.32 25 0

08/23 08/30 09/06 09/13 09/20 09/27 10/04 10/11 10/18 10/25