

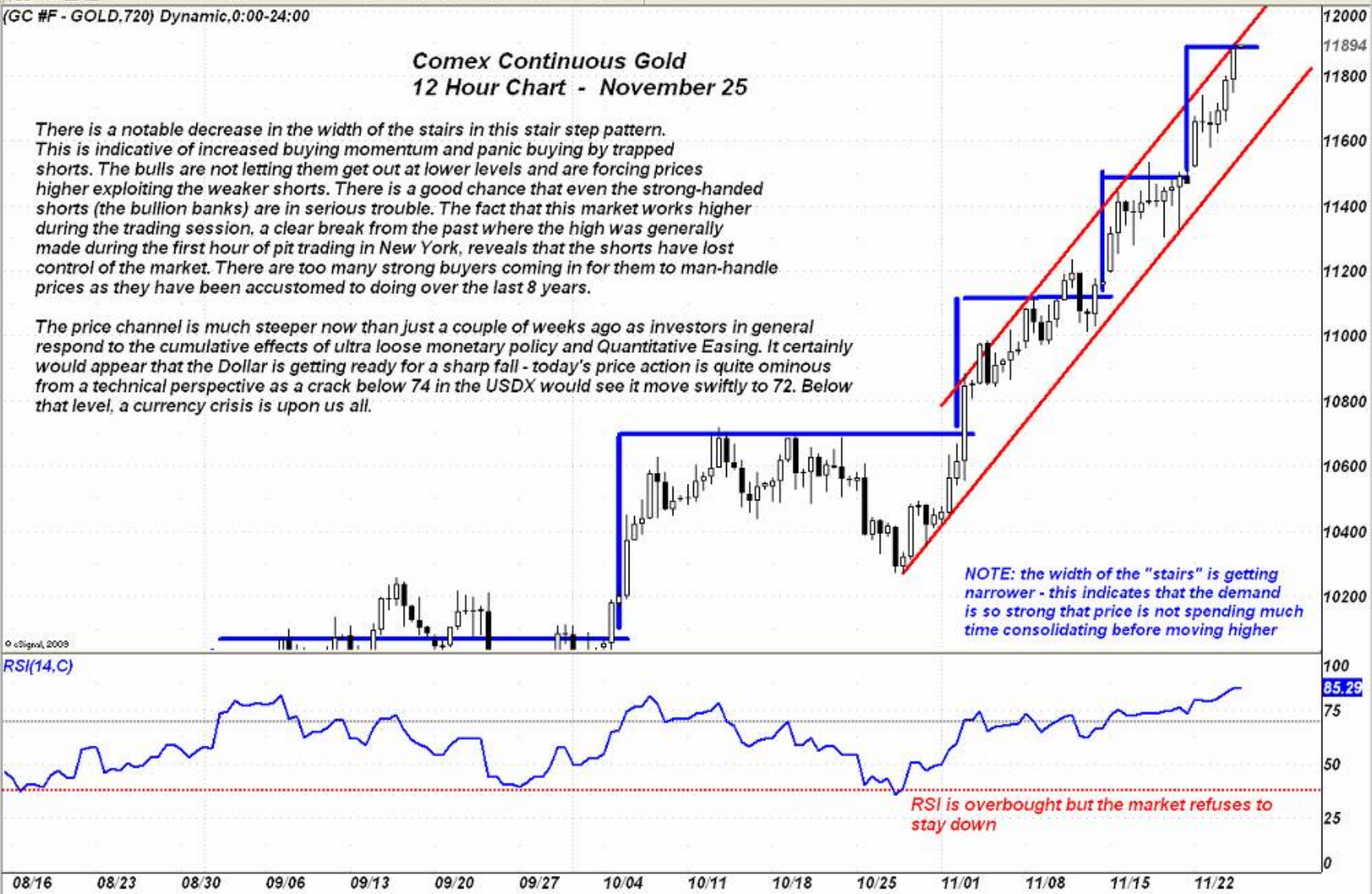
Comex Continuous Gold 12 Hour Chart - November 25

There is a notable decrease in the width of the stairs in this stair step pattern. This is indicative of increased buying momentum and panic buying by trapped shorts. The bulls are not letting them get out at lower levels and are forcing prices higher exploiting the weaker shorts. There is a good chance that even the strong-handed shorts (the bullion banks) are in serious trouble. The fact that this market works higher during the trading session, a clear break from the past where the high was generally made during the first hour of pit trading in New York, reveals that the shorts have lost control of the market. There are too many strong buyers coming in for them to man-handle prices as they have been accustomed to doing over the last 8 years.

The price channel is much steeper now than just a couple of weeks ago as investors in general respond to the cumulative effects of ultra loose monetary policy and Quantitative Easing. It certainly would appear that the Dollar is getting ready for a sharp fall - today's price action is quite ominous from a technical perspective as a crack below 74 in the USDX would see it move swiftly to 72. Below that level, a currency crisis is upon us all.

NOTE: the width of the "stairs" is getting narrower - this indicates that the demand is so strong that price is not spending much time consolidating before moving higher

RSI is overbought but the market refuses to stay down



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RSI(14,C)

12000
 11894
 11800
 11600
 11400
 11200
 11000
 10800
 10600
 10400
 10200
 100
 85.29
 75
 50
 25
 0