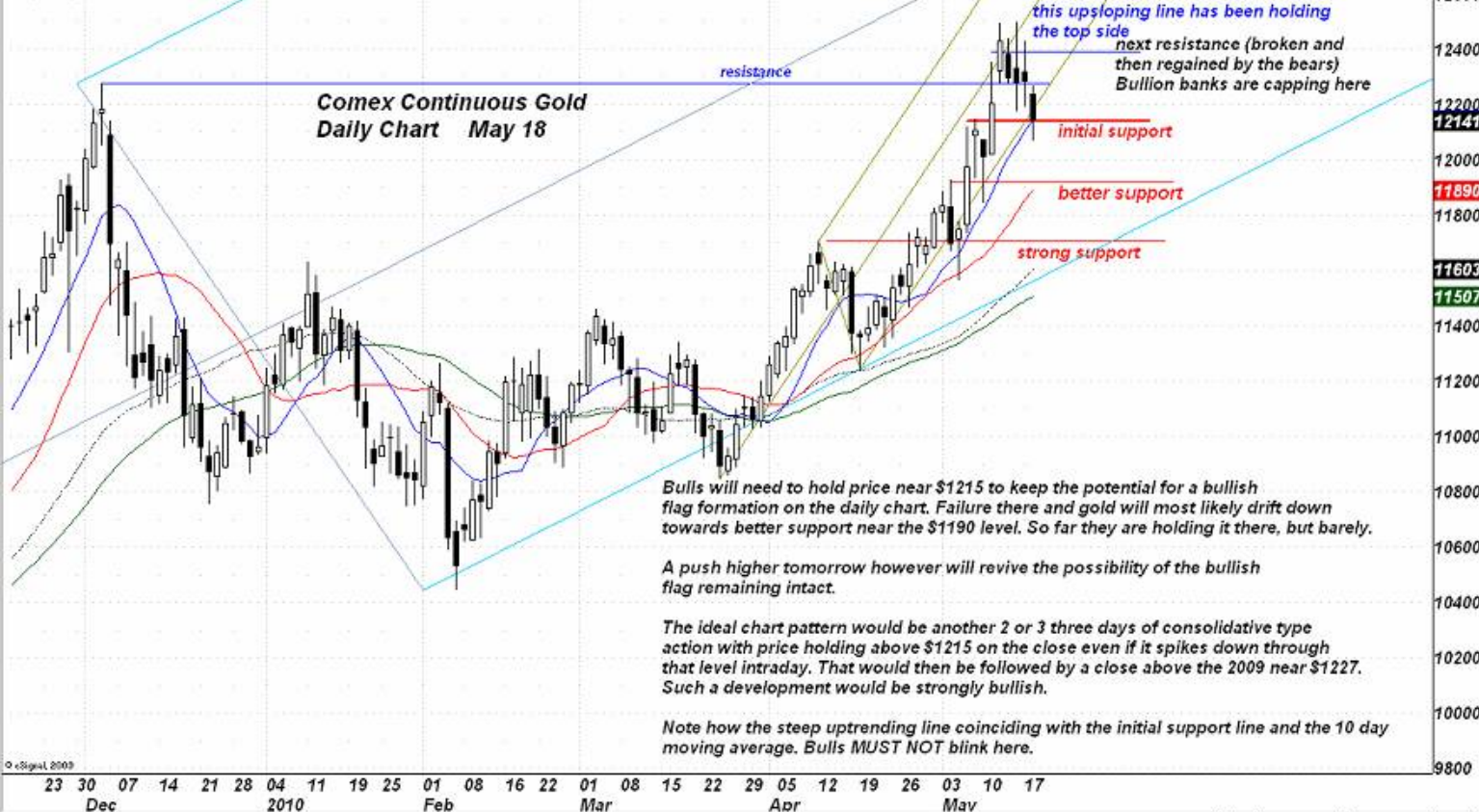


(GC #F - GOLD,D) Dynamic,0:00-24:00

MA(10,C)s
 MA(20,C)s
 MA(40,C)s
 MA(50,C)s



**Comex Continuous Gold
 Daily Chart May 18**

Bulls will need to hold price near \$1215 to keep the potential for a bullish flag formation on the daily chart. Failure there and gold will most likely drift down towards better support near the \$1190 level. So far they are holding it there, but barely.

A push higher tomorrow however will revive the possibility of the bullish flag remaining intact.

The ideal chart pattern would be another 2 or 3 three days of consolidative type action with price holding above \$1215 on the close even if it spikes down through that level intraday. That would then be followed by a close above the 2009 near \$1227. Such a development would be strongly bullish.

Note how the steep uptrending line coinciding with the initial support line and the 10 day moving average. Bulls MUST NOT blink here.