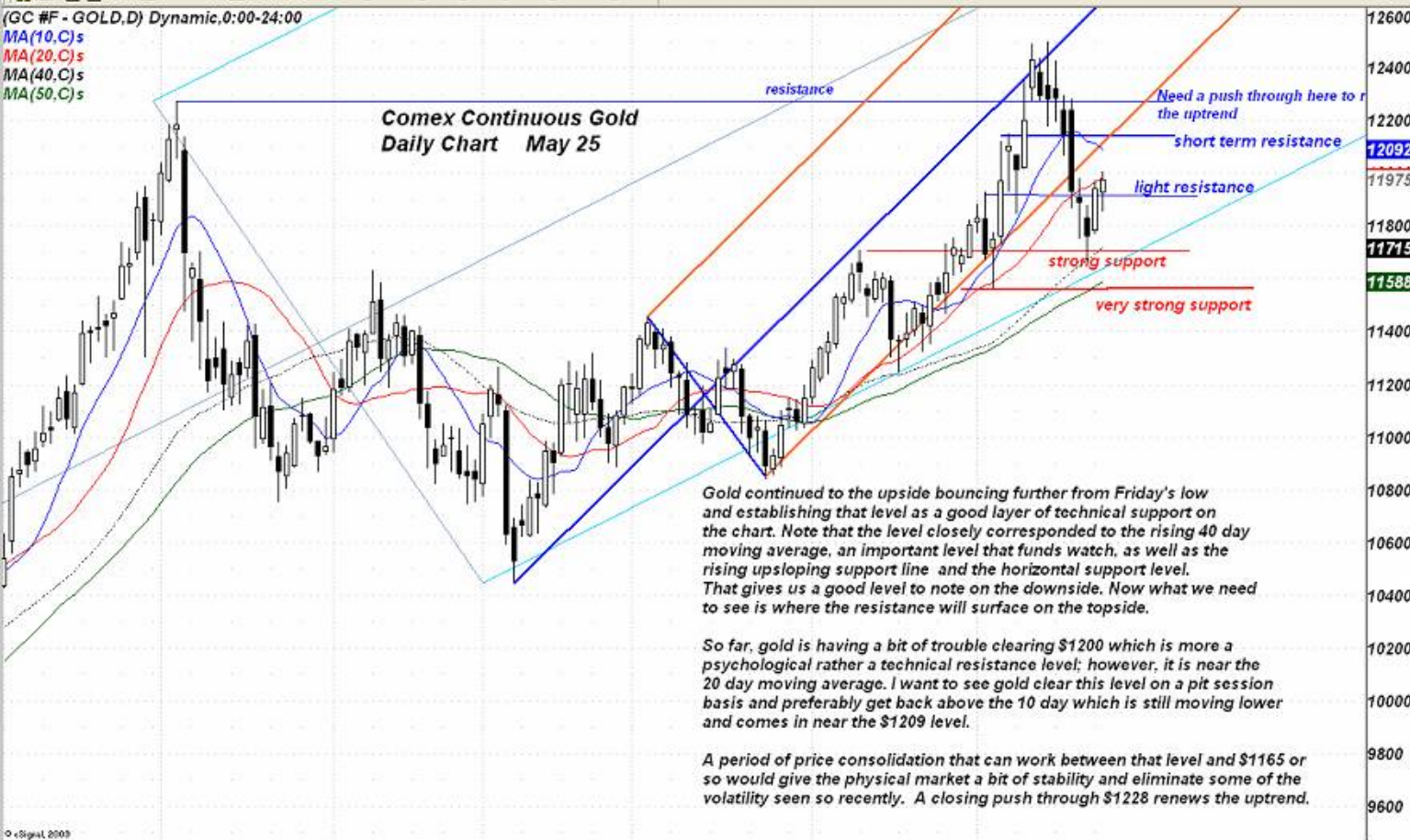


(GC #F - GOLD,D) Dynamic,0:00-24:00

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

**Comex Continuous Gold
 Daily Chart May 25**



Gold continued to the upside bouncing further from Friday's low and establishing that level as a good layer of technical support on the chart. Note that the level closely corresponded to the rising 40 day moving average, an important level that funds watch, as well as the rising upsloping support line and the horizontal support level. That gives us a good level to note on the downside. Now what we need to see is where the resistance will surface on the topside.

So far, gold is having a bit of trouble clearing \$1200 which is more a psychological rather a technical resistance level; however, it is near the 20 day moving average. I want to see gold clear this level on a pit session basis and preferably get back above the 10 day which is still moving lower and comes in near the \$1209 level.

A period of price consolidation that can work between that level and \$1165 or so would give the physical market a bit of stability and eliminate some of the volatility seen so recently. A closing push through \$1228 renews the uptrend.