

(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 January 20

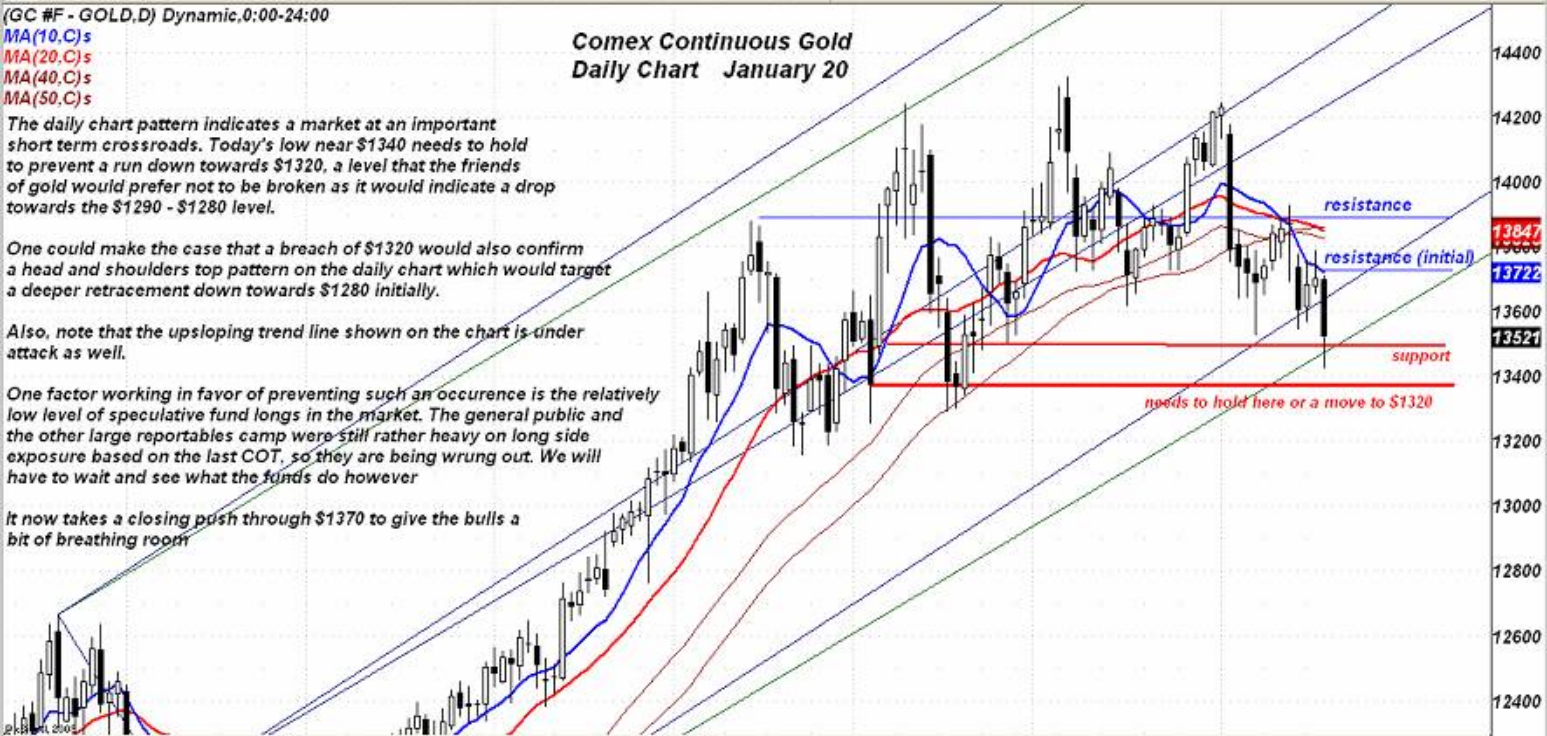
The daily chart pattern indicates a market at an important short term crossroads. Today's low near \$1340 needs to hold to prevent a run down towards \$1320, a level that the friends of gold would prefer not to be broken as it would indicate a drop towards the \$1290 - \$1280 level.

One could make the case that a breach of \$1320 would also confirm a head and shoulders top pattern on the daily chart which would target a deeper retracement towards \$1280 initially.

Also, note that the upsloping trend line shown on the chart is under attack as well.

One factor working in favor of preventing such an occurrence is the relatively low level of speculative fund longs in the market. The general public and the other large reportables camp were still rather heavy on long side exposure based on the last COT, so they are being wrung out. We will have to wait and see what the funds do however

It now takes a closing push through \$1370 to give the bulls a bit of breathing room



Momentum(14,C)

Momentum is decidedly bearish

