

(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 27

So much for yesterday's encouraging price action. Gold responded to the nice technical action by crashing through an important level of chart support near \$1320.

The break of this level on substantial volume is technically a sign that we have further downside to go after what looked as if a short term bottom had been posted.

Gold is going to need to get immediately back above \$1320 or it could sink down first towards \$1300. \$1280 then comes next if that gives way.

One saving grace is that the HUI, while lower today, is holding above its recent low near 490. Some of the technical indicators are continuing to show signs of bottoming action although it would have been a confirmation of a bottom should it have been able to successfully hold above 517 for two consecutive days. It staged an impressive rally yesterday and nudged above that level but then gave it all back during today's trading session. As it now stands we will need to see if it can stay above 490 if it does drift down towards that level. A move away from that level would confirm that solid support exists there. We will have to wait and see.

